BEFORE THE OIL AND GAS CONSERVATION COMMISSION OF THE STATE OF COLORADO

IN THE MATTER OF THE APPLICATION OF PDC ENERGY, INC. FOR AN ORDER TO POOL ALL INTERESTS IN AN APPROXIMATE 320-ACRE WELLBORE SPACING UNIT ESTABLISHED IN PORTIONS OF SECTIONS 14 AND 15, TOWNSHIP 6 NORTH, RANGE 66 WEST, 6TH P.M., FOR THE NIOBRARA FORMATION, WATTENBERG FIELD, WELD COUNTY, COLORADO

CAUSE NO.

DOCKET NO.

APPLICATION

COMES NOW PDC Energy, Inc. ("Applicant"), by its attorneys, Jost & Shelton Energy Group, P.C., and makes this application to the Oil and Gas Conservation Commission of the State of Colorado ("Commission") for an order to pool all interests within an approximate 320-acre wellbore spacing unit for the drilling of the Harvesters Resources 15U-203 Well, (API No. 05-123-37920) ("Well") for the development of the Niobrara Formation on the following described lands:

Township 6 North, Range 66 West, 6th P.M.

Section 14: W½W½ Section 15: E½E½

Weld County, Colorado (hereinafter "Application Lands").

In support thereof, Applicant states and alleges as follows:

- 1. Applicant is a corporation duly authorized to conduct business in the State of Colorado, and is a registered operator in good standing with the Commission.
 - 2. Applicant owns certain leasehold interests in the Application Lands.
- 3. On February 19, 1992, the Commission entered Order No. 407-87 (amended August 20, 1993), which among other things, established 80-acre drilling and spacing units for the production of oil and/or gas from the Niobrara Formation underlying certain lands, with the permitted well locations in accordance with the provisions of Order No. 407-1 and allowed downhole commingling of production from the Codell and Niobrara Formations.
- 4. On April 27, 1998, the Commission adopted Rule 318A, which, among other things, allowed certain drilling locations to be utilized to drill or twin a well, deepen a well or recomplete a well and to commingle any or all of the Cretaceous Age

Formations from the base of the Dakota Formation to the surface. On December 5, 2005, Rule 318A was amended to allow interior infill and boundary wells to be drilled and wellbore spacing units to be established. On August 8, 2011, Rule 318A was again amended to, among other things, address drilling of horizontal wells.

- 5. On March 18, 1985, the Commission entered Order No. 381-5, which among other things, allows the option to drill an additional well on 80-acre units on undrilled 40-acre tract for production from the Codell and Niobrara.
- 6. Applicant designated the 320-acre Wellbore Spacing Unit, as defined below, for the production of oil, gas, and associated hydrocarbons from the Niobrara Formation pursuant to Rule 318A., and notified the appropriate parties under Rule 318A.
- 7. Applicant, pursuant to Commission Rule 530 and/or the provisions of C.R.S. § 34-60-116 (6) and (7), hereby requests an order to pool all interests, including but not limited to, any nonconsenting interests, in the Application Lands in the Niobrara Formation underlying the following approximate 320-acre Wellbore Spacing Unit:

Township 6 North, Range 66 West, 6th P.M.

Section 14: W½W½ Section 15: E½E½

(hereafter "Wellbore Spacing Unit").

- 8. Applicant requests that the Commission's pooling order be made effective as of the earlier of the date of this Application, or the date that the costs specified in C.R.S. § 34-60-116(7)(b) are first incurred for the drilling of the Well to the Niobrara Formation on the Application Lands.
- 9. Applicant certifies that copies of this Application will be served on all persons owning an interest in the mineral estate of the tracts to be pooled within seven (7) days of the date hereof, as required by Rule 507.b(2), and that at least thirty (30) days prior to the hearing on this matter, each such interest owner not already leased or voluntarily pooled will be offered the opportunity to lease, or to participate in the drilling of the Well, and will be provided with the information required by Rule 530 as applicable. The list of such interested parties is attached hereto as Exhibit A.
- 10. That in order to prevent waste and to protect correlative rights, all interests in the Wellbore Spacing Unit should be pooled for the orderly development of the Niobrara Formation, including any nonconsenting interests therein.

WHEREFORE, Applicant requests that this matter be set for hearing at the next available opportunity, that notice be given as required by law, and that upon such hearing, the Commission enter its order:

- A. Pooling all interests in the Application Lands and the Wellbore Spacing Unit for the development of the Niobrara Formation.
- B. Providing that the Commission's pooling order is made effective as of the earlier of the date of this Application, or the date that any of the costs specified in C.R.S. § 34-60-116(7)(b) are first incurred for the drilling of the Well in the Wellbore Spacing Unit to the Niobrara Formation on the Application Lands.
- C. Providing that the interests of any owners with whom the Applicant has been unable to secure a lease or other agreement to participate in the drilling of the Well are pooled by operation of statute, pursuant to C.R.S. § 34-60-116(6) and (7), and made subject to the cost recovery provisions thereof with respect to the Well drilled to develop the Niobrara Formation in the Wellbore Spacing Unit comprising the Application Lands.
- D. For such other findings and orders as the Commission may deem proper or advisable in this matter.

WHEREFORE, Applicant respectfully requests that this matter be set for hearing in June 2014, that notice be given as required by law, and that upon such hearing, the Commission enter its order consistent with Applicant's request as set forth above.

Dated: April 17, 2014.

Respectfully submitted:

PDC Energy, Inc.

By:

Jamie L. Jost Joseph M. Evers

Jost & Shelton Energy Group, P.C.

Attorneys for Applicant 1675 Larimer St., Suite 1400 Denver, Colorado 80202

(720) 379-1812

Applicant's Address:

PDC Energy, Inc. ATTN: Marie McCord

1775 Sherman Street, Suite 3000

Denver, CO 80203

VERIFICATION

STATE OF COLORADO)
	ss.
CITY AND COUNTY OF DENVER)

Joshua B. Wagner, of lawful age, being first duly sworn upon oath, deposes and says that he is a Regional Landman for PDC Energy, Inc., and that he has read the foregoing Application and that the matters therein contained are true to the best of his knowledge, information and belief.

Joshua B Wagner Regional Landman PDC Energy, Inc.

Subscribed and sworn to before me this 17 haday of April 2014.

Witness my hand and official seal.

[SEAL]

TRACIE OWENS-YATES
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20054039521
My Commission Expires Mar. 5, 2018

My commission expires: 3/5/18

Notary Public

BEFORE THE OIL AND GAS CONSERVATION COMMISSION OF THE STATE OF COLORADO

IN THE MATTER OF THE APPLICATION OF PDC ENERGY, INC. FOR AN ORDER TO POOL ALL INTERESTS IN AN APPROXIMATE 320-ACRE WELLBORE SPACING UNIT ESTABLISHED IN PORTIONS OF SECTIONS 14 AND 15, TOWNSHIP 6 NORTH, RANGE 66 WEST, 6TH P.M., FOR THE NIOBRARA FORMATION, WATTENBERG FIELD, WELD COUNTY, COLORADO

My commission expires:

CAUSE NO.

DOCKET NO.

AFFIDAVIT OF MAILING

STATE OF COLORADO)	
CITY AND COUNTY OF DENVER)ss.)	
I, Jamie Jost of lawful age, and being first duly sworn upon my oath, state and declare that I am the attorney for PDC Energy, Inc., and that on or before the day of April 2014, I caused a copy of the attached Application to be deposited in the United States Mail, postage prepaid, addressed to the parties listed on Exhibit A to the Application.		
	Jamie L. Jost	
Subscribed and sworn to before me this	///day of April 2014.	
Witness my hand and official seal.		
[SEAL]		

Notary Public

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State of Colorado Notary ID 20134059312 My Commission Expires Sep 18, 2017

DANIELLE E CARROLL Notary Public

EXHIBIT A

PDC Energy Corporation No Address Given

Noble Energy, Inc. 1625 Broadway, Suite 2200 Denver, CO 80202

Bayswater Blenheim Holdings II, LLC 730 17th Street, Suite 610 Denver, CO 80202

Bayswater Exploration and Production, LLC 730 17th Street, Suite 610 Denver, CO 80202

Elwood Oil Company 1024 9th Avenue, #3 Greeley, CO 80631

Jack Oil Company P.O. Box 449 Greeley, CO 80632

Clarence V. Anderson & Elizabeth E. Anderson, JT 33140 Weld County Road 33 Greeley, CO 80631

Daniel L. Andrews & Penny A. Andrews, JT 16151 Hwy 392 Greeley, CO 80631

Dorothy P. Fagerberg 3604 Empire Street Evans, CO 80620

Dwight L. Burke P.O. Box 1453 Ault, CO 80610 George W. Hoecher & Beatrice Hoecher, JT 16581 Highway 392 Greeley, CO 80631

Jacy Dickens and Kimberly A. Dickens, JT 33126 County Road 33 Greeley, CO 80631

Karen K. Lohmann & Frank E. Tenorio, Trustees under the Karen K. Lohmann Living Trust, dated May 3, 2003 16106 Highway 392 Greeley, CO 80631

Andrew R. Dunn 33505 WCR 33 Greeley, CO 80631

Mary L. Dunn 33505 WCR 33 Greeley, CO 80631

Burman Chevrolet Company 959 South 287 Laramie, WY 82070

Harvester Resources, LLC 15754 WCR 70 Greeley, CO 80631

Plumb Ridge LLC 14339 CR 74 Eaton, CO 80615

Richard C. Dunn & Norma K. Dunn, JT 15754 WCR 70 Greeley, CO 80631 Seth D. Dunn & Sandra J. Dunn, JT 15808 WCR 70 Greeley, CO 80631

APC Operating Partnership, LP 1700 Lincoln Street Denver, CO 80203