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 SECTION 28, TOWNSHIP 4 NORTH, RANGE 67 WEST, 6TH P.M., FOR THE CODELL 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 SunMarke 28W-414 Well, (API No. 05-123-38903) ("Well") for the development of the Codell Formation on the following described lands:

Township 4 North, Range 67 West, 6th P.M. Section 28: S½N½, N½S½

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 November 15, 2012, the Commission entered Order No. 407-730, which among other things, approves the request for an order to pool all interests in an approximate 160-acre designated wellbore spacing unit consisting of certain lands in Sections 21 and 28, Township 4 North, Range 67 West, 6th P.M., for the development and operation of the Codell and Niobrara Formations. Order No. 407-730 does not affect the Application Lands.
- 6. On May 6, 2013, the Commission entered Order No. 407-785, which among other things, approves the request for an order to pool all interests in an approximate 160-acre designated wellbore spacing unit consisting of certain lands in Sections 20, 21, 28 and 29, Township 4 North, range 67 West, 6th P.M., for the development and operation of the Codell-Niobrara Formation. Order No. 407-785 does not affect the Application Lands.
- 7. Applicant designated the 320-acre Wellbore Spacing Unit, as defined below, for the production of oil, gas, and associated hydrocarbons from the Codell Formation pursuant to Rule 318A., and notified the appropriate parties under Rule 318A.
- 8. Applicant, pursuant to the provisions of C.R.S. § 34-60-116 (6), hereby requests an order to pool all interests, including but not limited to, any nonconsenting interests and leased mineral interests, in the Application Lands in the Codell Formation underlying the following approximate 320-acre Wellbore Spacing Unit:

Township 4 North, Range 67 West, 6th P.M. Section 28: S½N½, N½S½

(hereafter "Wellbore Spacing Unit").

- 9. Applicant requests that the Commission's pooling order be made effective as of date of this Application.
- 10. 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. The list of such interested parties is attached hereto as Exhibit A.

11. 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 Codell Formation.

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 Codell Formation.
- B. Providing that the Commission's pooling order is made effective as of the date of this Application.
- C. All interests in the Wellbore Spacing Unit are pooled by operation of statute, pursuant to C.R.S. § 34-60-116(6), to develop the Codell 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 17th day 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: 315118

Notary Public

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

IN THE MATTER OF THE APPLICATION OF CAUSE NO. PDC ENERGY, INC. FOR AN ORDER TO POOL ALL INTERESTS IN AN APPROXIMATE 320-ACRE WELLBORE SPACING ESTABLISHED IN SECTION 28, TOWNSHIP 4 NORTH, RANGE 67 WEST, 6TH P.M., FOR THE CODELL FORMATION, WATTENBERG FIELD, WELD COUNTY, COLORADO

DOCKET NO.

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

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AFFIDAV	IT OF MAILING
STATE OF COLORADO))ss.
CITY AND COUNTY OF DENVER)
and declare that I am the attorney fordyraday of April 2014, I cause	I being first duly sworn upon my oath, state PDC Energy, Inc., and that on or before the d a copy of the attached Application to be postage prepaid, addressed to the parties Jamie L. Jost
Subscribed and sworn to before me this	s // day of April 2014.
Witness my hand and official seal.	
[SEAL]	
My commission expires: 9/18/	DANIELLE E CARROLI Notary Public State of Colorado

Exhibit A Interested Party List SunMarke 28W-414

Cimarron Petroleum Corporation P.O. Box 2768 Amarillo, Texas, 79105

Claude Stull 11807 Admiration Drive Bridgeton, MO 63044

David S. Toth, DPMAmerican Investment Bank Attn: David S. Toth, DPM Chagrin Valley Foot Centres 514 Water St. Chardon, OH 44024

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