

**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
21 AND 28, TOWNSHIP 4 NORTH, RANGE 67
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 SunMarke 28U-334 Well, (API No. 05-123-38900) ("Well") for the development of the Niobrara Formation on the following described lands:

Township 4 North, Range 67 West, 6th P.M.

Section 21: S $\frac{1}{2}$ S $\frac{1}{2}$

Section 28: N $\frac{1}{2}$ N $\frac{1}{2}$

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 May 29, 2012, the Commission entered Order No. 407-655, which among other things, approves the request for an order to pool all interests in two approximate 80-acre designated wellbore spacing units to accommodate two separate wells, and pool all interests in an approximate 160-acre designated wellbore spacing unit consisting of certain lands in Section 21, Township 4 North, Range 67 West, 6th P.M., for the development and operation of the Codell and Niobrara Formations.

6. 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

7. 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.

8. 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.

9. 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 and leased mineral interests, in the Application Lands in the Niobrara Formation underlying the following approximate 320-acre Wellbore Spacing Unit:

Township 4 North, Range 67 West, 6th P.M.

Section 21: S½S½

Section 28: N½N½

(hereafter "Wellbore Spacing Unit").

10. Applicant requests that the Commission's pooling order be made effective as of the date of this Application.

11. 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.

12. 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 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 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.

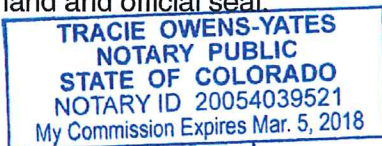


Joshua B. Wagner
Regional Landman
PDC Energy, Inc.

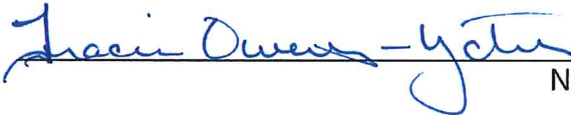
Subscribed and sworn to before me this 17th day of April 2014.

Witness my hand and official seal.

[SEAL]



My commission expires: 3/5/18



Notary Public

IN THE MATTER OF THE APPLICATION OF
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DOCKET NO.

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

Jamie L. Jost

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

[SEAL]

My commission expires: 9/18/17

Janille Carroll
Notary Public

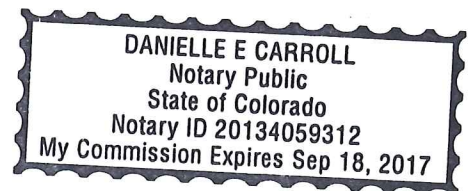


EXHIBIT A

McCarty Weld Farms
811 Panorama Cir.
Longmont, CO 80501

Helen Y. McCarty
P.O. Box 596
Longmont, CO 80502-0596

R. Bruce Fickel
1533 Rio Grande Pl.
Loveland, CO 80538-4857

Michael R. Dice
3300 E 1st Ave Ste 600
Denver, CO 80206-5809

Michael R. Dice
21235 E Ida Ave
Centennial, CO 80015-3347

Michael H. McCarty
10 Ancient Royal Ct.
Cody, WY 82414-5001

Patrick W. McCarty
3000 County Rd. 301
Parachute, CO 81635-9120

Frances R. McCarty
811 Panorama Cir.
Longmont, CO 80501

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

Graham B. Blanton
P.O. Box 2069
Fayetteville, NC 28302

Robert L. Boschert
3300 Granger Blvd
St. Charles, MO 63301

Gregory J. Bunten
11437 St. Charles Rock Road
Bridgeton, MO 63044

Michael R. Freeman, M.D.
Rt. 2, Box 386E
Cape Girardeau, MO 63701

Troy B. & Marilyn Fergen
219 W. North Ave. #4
Chicago, IL 60610

Richard R. Chotin
509 Olive Street, Suite 500
St. Louis, MO 63101

William D. Graham
1008 Wellington
St. Louis, MO 63017

Richard M. Haber
1311 North Church Avenue
Tampa, FL 33607

H.W. Hardy
711 Louisiana, Suite #1300
Houston, TX 77002

Richard L. Kies, M.D.
Route 3, Box 208
Jackson, MO 63755

Meyer Lewshin
1253 N. Vine St. #16
Los Angeles, CA 90038

Peter C. & Joyce T. Merrill
9825 Waterbury Drive
Ladue, MO 63124

Leslie Wint
American Investment Bank
Attn: Leslie Wint
79 Esplanade
Mt. Vernon, NY 10553

L. Gordon Pfefferkorn, Jr.
P.O. Box 601
Winston-Salem, NC 27102

Robert G. Rager
7002 S. Chapparral Circle East
Aurora, CO 80016

Gurijala N. Reddy, M.D.
6 Fieldrest Drive
Wheeling, WV 26003

Claude Stull
11807 Admiration Drive
Bridgeton, MO 63044

Jack D. & Janet M. Tatom
P.O. Box 191
Cosmopolis, WA 98537

Jack I. Tompkins
10022 Briar Drive
Houston, TX 77042

Gary Van Shafter
2 Timberline Drive
Wayneon, NJ 07470

K.P. Babu V. Varada
1630 Chadwick Place
Blue Bell, PA 19422

R. Dean & Lovena Burchett
2021 E. 4th Street Suite #218
Santa Ana, CA 92705

Ethelyn L. Looy
P.O. Box 1404
New York, NY 10185

Anadarko E & P Onshore LLC
1099 18th Street, Suite 1800
Denver, CO 80202

K.P. Kauffman Company, Inc.
1675 Broadway, #2800
Denver, CO 80202

PDC Energy, Inc.
1775 Sherman Street, Suite 3000
Denver, CO 80203