

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

IN THE MATTER OF AN APPLICATION BY DJ)	
RESOURCES, INC. FOR AN ORDER ESTABLISHING AN)	CAUSE NOS. 407 & 535
APPROXIMATE 640-ACRE DRILLING AND SPACING)	
UNIT FOR SECTION 34, TOWNSHIP 8 NORTH, RANGE 66)	DOCKET NO. <i>To be assigned</i>
WEST, 6 TH P.M., AND AUTHORIZING THE DRILLING OF)	
UP TO SIXTEEN HORIZONTAL WELLS FOR)	
PRODUCTION FROM THE CODELL-NIOBRARA)	
FORMATIONS, PIERCE FIELD, WELD COUNTY,)	
COLORADO)	

APPLICATION

DJ Resources, Inc. ("DJR" or "Applicant"), by and through its attorneys, Beatty & Wozniak, P.C., respectfully submits this Application to the Oil and Gas Conservation Commission of the State of Colorado (the "Commission") for an order establishing an approximate 640-acre drilling and spacing unit for Section 34, Township 8 North, Range 66 West, 6th P.M., and authorizing the drilling of sixteen (16) horizontal wells within the proposed unit, for the production of oil, gas and associated hydrocarbons from the Codell-Niobrara Formations. In support of its Application, Applicant states and alleges as follows:

1. Applicant is a corporation duly authorized to conduct business in the State of Colorado, and has registered as an operator with the Commission.

2. Applicant owns substantial leasehold interests in the below-listed lands:

Township 8 North, Range 66 West, 6th P.M.
Section 34: All

These lands are hereinafter referred to as the "Application Lands." A map depicting the acreage comprising the Application Lands is attached hereto and marked as Exhibit A.

3. Rule 318.a. of the Commission Rules provides a well to be drilled 2,500 feet or greater shall be located not less than 600 feet from any lease line, and shall be located not less than 1,200 feet from any other producible or drilling oil or gas well when drilling to the same common source of supply, unless authorized by the Commission upon hearing. The Application Lands are subject to this Rule for the production of oil, gas and associated hydrocarbons from the Codell-Niobrara Formations.

4. Applicant requests the Commission establish an approximate 640-acre drilling and spacing unit for the Application Lands, for production of oil, gas and associated hydrocarbons from the Codell-Niobrara Formations, pursuant to Rule 503.b.(1) and §34-60-116(2), C.R.S. For the Application Lands, the proposed drilling unit is not smaller than the maximum area that can be economically and efficiently drained by the horizontal wells proposed to be drilled under this Application and completed in the Codell-Niobrara Formations.

5. Applicant requests it be authorized to drill and complete up to sixteen (16) horizontal wells in the approximate 640-acre drilling and spacing unit proposed for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Codell-Niobrara Formations, as necessary to economically and efficiently recover resources, while minimizing surface impacts, creating efficiencies for drilling and production, increasing the ultimate recovery of the reserves, preventing waste, and protecting correlative rights.

6. Applicant states that, for any permitted wells to be drilled under this Application, the treated intervals of the wellbore should be not less than 600 feet from the unit boundaries with an inter-well setback of not less than 150 feet from the treated interval of a well producing from the Codell-Niobrara Formations, without exception being granted by the Director.

7. Applicant states that any horizontal well to be drilled under this Application will be drilled from the surface of the drilling unit, or on adjacent lands with consent of the landowner, without exception being granted by the Director.

8. The granting of this Application is in accord with the Oil and Gas Conservation Act, found at §§34-60-101, *et seq.*, C.R.S., and the Commission rules.

9. Applicant requests that relief granted under this Application should be effective on oral order by the Commission, and Applicant hereby agrees to being bound by said oral order.

10. That the names and addresses of the interested parties (owners within Section 34, Township 8 North, Range 66 West, 6th P.M.) according to the information and belief of the Applicant are set forth in Exhibit B attached hereto. The Applicant shall submit a certificate of service for the Application within the seven days as required by Rule 503.e.

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

A. Establishing an approximate 640-acre drilling and spacing unit for Section 34, Township 8 North, Range 66 West, 6th P.M., and authorizing the drilling of up to sixteen (16) horizontal wells within the proposed unit, for the production of oil, gas and associated hydrocarbons from the Codell-Niobrara Formations, with the treated intervals of the wellbore of any permitted wells to be located not less than 600 feet from the outer boundary of the proposed unit and not less than 150 feet from the treated interval of any well being drilled or producing from the Codell-Niobrara Formations, without exception being granted by the Director.

B. Requiring that any permitted wells to be drilled under this Application should be drilled from the surface of the drilling unit, or on adjacent lands with consent of the landowner, without exception being granted by the Director.

C. Providing that relief granted under this Application be effective on oral order by the Commission, relying on the Applicant's desire to be bound by said oral order.

D. For such other findings and orders as the Commission may deem proper or advisable in the premises.

DATED this 17th day of November, 2014.

Respectfully submitted,

DJ RESOURCES, INC.

By: 

Robert A. Willis (Colorado Bar No. 26308)

Jillian Fulcher (Colorado Bar No. 45010)

Attorneys for Applicant

Beatty & Wozniak, P.C.

216 16th St., Suite 1100

Denver, CO 80202

(303) 407-4499

rwillis@bwenergylaw.com

jfulcher@bwenergylaw.com

Applicant's Address:

DJ Resources, Inc.

Sharon Crumb, Senior Landman

1600 Broadway, Suite 1960

Denver, CO 80202

VERIFICATION

STATE OF COLORADO

)

) ss.

CITY & COUNTY OF DENVER

)

Sharon Crumb, Senior Landman for DJ Resources, Inc., upon oath deposes and says that she has read the foregoing Application and that the statements contained therein are true to the best of her knowledge, information and belief.

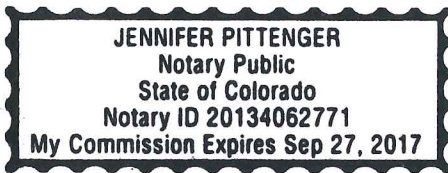
DJ RESOURCES, INC.

Sharon Crumb
Sharon Crumb

Subscribed and sworn to before me this 17th day of November, 2014, by Sharon Crumb, Senior Landman for DJ Resources, Inc.

Witness my hand and official seal.

My commission expires: 9-27-2017



Jennifer Pittenger
Notary Public

Section 34, T8N R66W
Weld County

Exhibit A
Application Map

Application Lands - 

18	17	16	15	14
T8N, R66W 19	20	21	22	23
30	29	28	27	26
31	32	33	34	35

EXHIBIT B

INTERESTED PARTIES

The names and addresses of the interested parties (owners within Section 34, Township 8 North, Range 66 West, 6th P.M.) according to the information and belief of the Applicant are set forth in this Exhibit B.

DJ Resources, Inc.
Sharon Crumb, Senior Landman
1600 Broadway, Suite 1960
Denver, CO 80202

Robert A. Willis
Beatty & Wozniak, P.C.
216 16th St., Suite 1100
Denver, CO 80202

Bill Barrett Corporation
1099 18th Street, Suite 2300
Denver, CO 80202

West Slope Energy Partners
1515 Wynkoop, Suite 700
Denver, CO 80202

Turner Oil & Gas Properties, Inc.
3232 West Britton Road, Suite 200
Oklahoma City, OK 73120

Lincoln Energy
1800 Glenarm Place, Suite 703
Denver, CO 80202

Extraction Oil & Gas
1888 Sherman Street
Denver, CO 80203

Tom Parko
Weld County
1555 North 17th Street
Greeley, CO 80631

Tom Schreiner, Energy Liaison
Colorado Parks and Wildlife
Northeast Region Office
6060 Broadway
Denver, CO 80216

Kent Kuster
Oil & Gas Consultant Coordinator
Colorado Department of
Public Health & Environment
4300 Cherry Creek Drive South
Denver, CO 80246-1530

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AFFIDAVIT OF MAILING

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

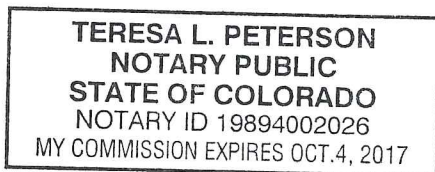
Jennifer Pittenger, of lawful age, and being first duly sworn upon her oath, states and declares:

That she is a Legal Assistant at Beatty & Wozniak, P.C., attorneys for DJ Resources, Inc., and on or before November 24, 2014, caused a copy of the attached Application to be deposited in the United States Mail, postage prepaid, addressed to the parties listed on Exhibit B to the Application.


Jennifer Pittenger

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

Witness my hand and official seal.




Notary Public