

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

IN THE MATTER OF AN APPLICATION BY ANADARKO E&P ONSHORE LLC FOR AN ORDER AMENDING ORDER NO. 421-46 TO INCLUDE SECTION 14 (LOTS 1-4), TOWNSHIP 12 NORTH, RANGE 64 WEST, 6TH P.M., AND AUTHORIZING AN ADDITIONAL TWO (2) HORIZONTAL WELLS, FOR A TOTAL OF SIX (6) HORIZONTAL WELLS IN THE EXISTING DRILLING AND SPACING UNIT ESTABLISHED BY SAID ORDER NO. 421-46 FOR PRODUCTION FROM THE CODELL FORMATION, AND AUTHORIZING AN ADDITIONAL FIVE (5) HORIZONTAL WELLS, FOR A TOTAL OF SEVEN (7) HORIZONTAL WELLS IN AN EXISTING DRILLING AND SPACING UNIT ESTABLISHED BY ORDER NO. 421-53 FOR PRODUCTION FROM THE NIOBRARA FORMATION; ALL FOR SECTIONS 14 (LOTS 1-4), 23 AND 26, TOWNSHIP 12 NORTH, RANGE 64 WEST, 6TH P.M., UNNAMED FIELD, WELD COUNTY, COLORADO

CAUSE NO.

DOCKET NO.

APPLICATION

Anadarko E&P Onshore LLC, Operator No. 2800 ("Anadarko" 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 to: **(1)** amend Order No. 421-46 to include Section 14 (Lots 1-4), Township 12 North, Range 64 West, 6th P.M. (being that portion of Section 14 lying within the state of Colorado) in the drilling and spacing unit established for production of oil, gas and associated hydrocarbons from the Codell Formation; **(2)** authorize an additional two (2) horizontal wells, for a total of six (6) horizontal wells, in the existing drilling and spacing unit established by said Order No. 421-46, for production from the Codell Formation, for Sections 14 (Lots 1-4), 23 and 26, Township 12 North, Range 64 West, 6th P.M.; and **(3)** authorize an additional five (5) horizontal wells, for a total of seven (7) horizontal wells, in an existing drilling and spacing unit established by Order No. 421-53, for production from the Niobrara Formation, for Sections 14 (Lots 1-4), 23 and 26, Township 12 North, Range 64 West, 6th P.M. 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 and/or mineral interests in the below-listed lands:

Township 12 North, Range 64 West, 6th P.M.

Section 14: Lots 1-4 (lying and being within the state of Colorado)

Section 23: All

Section 26: All

Approximately 1,302.07 acres, more or less, Weld County, CO ("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.

4. On December 15, 2014, the Commission approved Order No. 421-46 which, among other things, established an approximate 1,280.00-acre drilling and spacing unit for Sections 23 and 26, Township 12 North, Range 64 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Codell Formation, and approved up to four horizontal wells within the unit, with the productive interval of each wellbore being no closer than 600 feet from the productive interval of any other wellbore producing from the Codell Formation, and no closer than 300 feet from the unit boundary unless such boundary abuts or corners lands for which the Commission has not at the time of the drilling permit application granted the right to locate the productive interval of the wellbore no closer than 300 feet from the unit boundary. Sections 23 and 26 of the Application Lands are subject to this Order for the production of oil, gas and associated hydrocarbons from the Codell Formation.

5. On December 15, 2014, the Commission also approved Order No. 421-53 which, among other things, established an approximate 1,302.07-acre drilling and spacing units for the Application Lands, for production of oil, gas and associated hydrocarbons from the Niobrara Formation, and approved up to two horizontal wells within the unit, with the productive interval of each wellbore being no closer than 600 feet from unit boundaries, and no closer than 150 feet from the productive interval of any other wellbore located in the unit. The Application Lands are subject to this Order for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

6. The records of the Commission indicate that there are no wells producing from the Codell or Niobrara Formations within the Application Lands.

7. *Codell Formation – Amend Order No. 421-46 and Additional Wells*

(a) Applicant requests the Commission amend Order No. 421-46 to include Section 14 (Lots 1-4), Township 12 North, Range 64 West, 6th P.M., being that portion of Section 14 lying and being within the state of Colorado, in the drilling and spacing unit established by Order No. 421-46 for production from the Codell Formation, thereby modifying Order No. 421-46 to establish an approximate 1,302.07-acre drilling and spacing unit for the Application Lands, for production of oil, gas and associated hydrocarbons from the Codell Formation.

(b) Pursuant to §34-60-116(4), C.R.S., Applicant further requests that an additional two (2) horizontal wells, for a total of six (6) horizontal wells, be authorized within the existing drilling and spacing unit established by Order No. 421-46 for production from the Codell Formation, in order 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.

(c) Applicant states that, for any permitted wells to be drilled under this Application for production from the Codell Formation, the treated intervals of the wellbore should be not less than 300 feet from the unit boundaries, unless such boundary abuts or corners lands for which the Commission has not at the time of the drilling permit application granted the right to locate the productive interval of the wellbore no closer than 300 feet from a unit boundary, with an inter-well setback of not less than 150 feet from the treated interval of a well producing from the same formation, without exception being granted by the Director.

8. *Niobrara Formation – Additional Wells*

(a) Pursuant to §34-60-116(4), C.R.S., Applicant requests that an additional five (5) horizontal wells, for a total of seven (7) horizontal wells, be authorized within the existing drilling and spacing unit established by Order No. 421-53 for production from the Niobrara Formation, in order 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.

(b) Applicant states that, for any permitted wells to be drilled under this Application for production from the Niobrara Formation, 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 same formation, without exception being granted by the Director

9. 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.

10. 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.

11. 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.

12. That the names and addresses of the interested parties (owners within the proposed drilling unit) 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. Amending Order No. 421-46 to include Section 14 (Lots 1-4), Township 12 North, Range 64 West, 6th P.M., being that portion of Section 14 lying and being within the state of Colorado, in the drilling and spacing unit established by Order No. 421-46 for production from the Codell Formation.

B. Authorizing an additional two (2) horizontal wells, for a total of six (6) horizontal wells within the existing drilling and spacing unit established by Order No. 421-46 for production from the Codell Formation for the Application Lands, with the treated intervals of the wellbore of any permitted wells to be located not less than 300 feet from the unit boundaries, unless such boundary abuts or corners lands for which the Commission has not at the time of the drilling permit application granted the right to locate the productive interval of the wellbore no closer than 300 feet from a unit boundary, and not less than 150 feet from the treated interval of any well being drilled or producing from the same formation, without exception being granted by the Director.

C. Authorizing an additional five (5) horizontal wells, for a total of seven (7) horizontal wells within the existing drilling and spacing unit established by Order No. 421-53 for production from the Niobrara Formation for the Application Lands, with the treated intervals of the wellbore of any permitted wells to be located not less than 600 feet from the unit boundaries, and not less than 150 feet from the treated interval of any well being drilled or producing from the same formation, without exception being granted by the Director.


D. 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.

E. For such other findings and orders as the Commission may deem proper or advisable.

DATED this 8 day of April, 2015.

Respectfully submitted,

ANADARKO E&P ONSHORE LLC

By: 
James Parrot
Jillian Fulcher
Beatty & Wozniak, P.C.
Attorneys for Applicant
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Applicant's Address:
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Jason Rayburn, Senior Landman
1099 18th Street
Denver, CO 80202

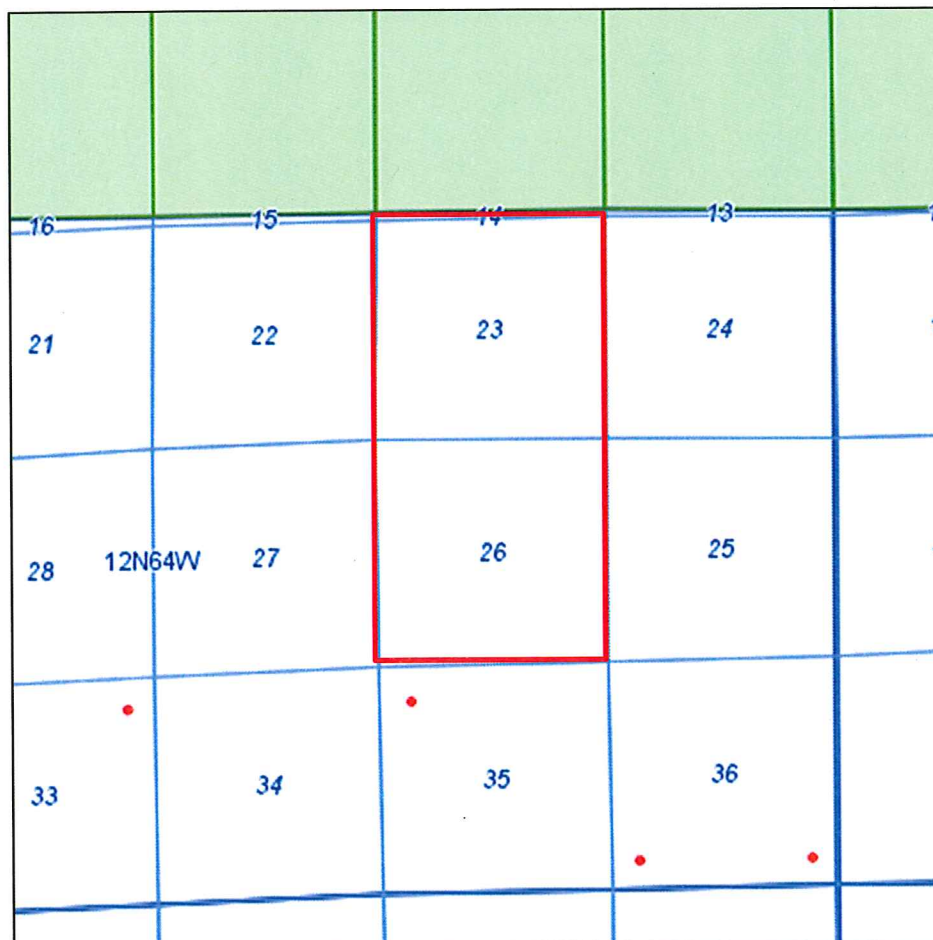
Exhibit A
Reference Map for Spacing Application

Township 12 North, Range 64 West, 6th P.M.

Section 14: Lots 1-4 (lying and being within the state of Colorado)

Section 23: All

Section 26: All



* Green shading indicates lands located in the state of Wyoming.

VERIFICATION

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

Jason Rayburn, Senior Landman for Anadarko E&P Onshore LLC, upon oath deposes and says that he has read the foregoing Application and that the statements contained therein are true to the best of his knowledge, information and belief.

ANADARKO E&P ONSHORE LLC

Jason Rayburn

Subscribed and sworn to before me this 8th day of April, 2015, by Jason Rayburn, Senior Landman for Anadarko E&P Onshore LLC.

Witness my hand and official seal.

My commission expires: 4.19.2017

Notary Public

JENNIFER ANN GILLESPIE
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20134021731
MY COMMISSION EXPIRES 04/19/2017

IN THE MATTER OF AN APPLICATION BY ANADARKO E&P ONSHORE LLC FOR AN ORDER AMENDING ORDER NO. 421-46 TO INCLUDE SECTION 14 (LOTS 1-4), TOWNSHIP 12 NORTH RANGE 64 WEST, 6TH P.M., AND AUTHORIZING AN ADDITIONAL TWO (2) HORIZONTAL WELLS, FOR A TOTAL OF SIX (6) HORIZONTAL WELLS IN THE EXISTING DRILLING AND SPACING UNIT ESTABLISHED BY SAID ORDER NO. 421-46 FOR PRODUCTION FROM THE CODELL FORMATION, AND AUTHORIZING AN ADDITIONAL FIVE (5) HORIZONTAL WELLS, FOR A TOTAL OF SEVEN (7) HORIZONTAL WELLS IN AN EXISTING DRILLING AND SPACING UNIT ESTABLISHED BY ORDER NO. 421-53 FOR PRODUCTION FROM THE NIOBRARA FORMATION; ALL FOR SECTIONS 14 (LOTS 1-4), 23 AND 26, TOWNSHIP 12 NORTH, RANGE 64 WEST, 6TH P.M., UNNAMED FIELD, WELD COUNTY, COLORADO

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

That she is an attorney at Beatty & Wozniak, P.C., attorneys for Anadarko E&P Onshore LLC, and on or before April 10, 2015, 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.


Jillian Fulcher

Subscribed and sworn to before me this 9th day of April, 2015.



Notary Public



EXHIBIT B

INTERESTED PARTIES

The names and addresses of the interested parties according to the information and belief of the Applicant are set forth in this Exhibit B.

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