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

THE MATTER OF AN APPLICATION IN EXTRACTION OIL & GAS LLC FOR AN ORDER **INTERESTS POOLING** ALL IN THREE **APPROXIMATE** 640-ACRE DESIGNATED WELLBORE **SPACING** HORIZONTAL UNITS ESTABLISHED FOR SECTION 33, TOWNSHIP 6 NORTH, RANGE 67 WEST, 6TH P.M., FOR THE DEVELOPMENT/OPERATION OF THE CODELL AND NIOBRARA FORMATIONS, WATTENBERG FIELD, WELD COUNTY, COLORADO

CAUSE NO. 407

DOCKET NO. To be assigned

APPLICATION

Extraction Oil & Gas LLC, Operator No. 10459, ("Extraction" 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 ("Commission") for an order pooling all interests in three approximate 640-acre horizontal wellbore spacing units established for Section 33, Township 6 North, Range 67 West, 6th P.M., for the development and operation of the Codell and Niobrara Formations. In support of its Application, Applicant states and alleges as follows:

- 1. Applicant is a limited liability 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 6 North, Range 67 West, 6th P.M. Section 33: All

Wellbore Spacing Unit ("WSU") Nos. 1-3 640 acres, more or less, Weld County, Colorado

These lands are hereinafter referred to as the "Application Lands" and depicted in <u>Exhibit A</u> attached hereto.

3. 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. The Application Lands are subject to Rule 318A.

- 4. Pursuant to Rule 318A., Applicant designated three approximate 640-acre horizontal wellbore spacing units, comprised of the Application Lands, for the below-described wells, for the production of oil, gas and associated hydrocarbons from the Codell and Niobrara Formations. Applicant notified all owners in the proposed wellbore spacing units pursuant to Rule 318A.e.(5). Applicant did not receive objections to the establishment of the proposed horizontal wellbore spacing units within the 30-day response period:
- a. Frye Farms #9 Well (API No. 05-123-38128) Niobrara Formation WSU #1;
- b. Frye Farms #10 Well (API No. 05-123-38132) Niobrara Formation WSU #2; and
- c. Frye Farms #13 Well (API No. 05-123-34960) Codell Formation WSU #3.

These wells are hereinafter referred to as the "Subject Wells."

- 5. Acting pursuant to the relevant provisions of §34-60-116(6) & (7), C.R.S., and Rule 530., Applicant seeks an order pooling all interests, including, but not limited to, any nonconsenting interests, in WSU Nos. 1-3, established for the Application Lands, for the development and operation of the Codell and Niobrara Formations.
- 6. Applicant requests that the pooling order entered as a result of this Application be made effective as of the date of this Application.
- 7. Further, Applicant requests 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 Subject Wells, are made subject to the cost recovery provisions of §34-60-116(7), C.R.S., effective as of the earlier of the date of the Application, or the date the costs specified in §34-60-116(7)(b), C.R.S. are first incurred for the drilling of the Subject Wells.
- 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 be bound by said oral order.
- 10. That the names and addresses of the interested parties (persons who own any interest in the mineral estate of the tracts to be pooled, except owners of overriding royalty interest) 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. Pooling all interests in WSU Nos. 1-3 established for the Application Lands, for the development and operation of the Codell and Niobrara Formations, with the pooling order made effective as of the date of this Application.
- B. 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 Subject Wells, are pooled by operation of statute, pursuant to §34-60-116(6) & (7), C.R.S., and made subject to the cost recovery provisions thereof, effective as of the earlier of the date of the Application, or the date the costs specified in §34-60-116(7)(b), C.R.S. are first incurred for the drilling of the Subject Wells.
- C. For such other findings and orders as the Commission may deem proper or advisable in the premises.

DATED this 2 day of June, 2015.

Respectfully submitted,

EXTRACTION OIL & GAS LLC

By:_

James Parrot Jillian Fulcher

Beatty & Wozniak, P.C. Attorneys for Applicant

216 16th Street, Suite 1100

Denver, Colorado 80202

(303) 407-4499

jparrot@bwenergylaw.com ifulcher@bwenergylaw.com

Address of Applicant
Extraction Oil & Gas LLC
ATTN: Destenie McMillen
1888 Sherman Street, Suite 200
Denver, Colorado 80203

VERIFICATION

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

Destenie McMillen, Senior Landman for Extraction Oil & Gas LLC, 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.

EXTRACTION OIL & GAS LLC

Destenie McMiller

Subscribed and sworn to before me this ______ day of June, 2015, by Destenie McMillen, Senior Landman for Extraction Oil & Gas LLC.

Witness my hand and official seal.

My commission expires: <u>wholer 4, 201</u>7

Notary Public

ANDREW STOUT
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20134064176
COMMISSION EXPIRES OCT. 04, 2017

Exhibit A

Reference Map for Pooling Application

Township 6 North, Range 67 West, 6th P.M. Section 33: All

30	29	6N 28	67W 27	26
31	32	33	34	35
6	5	4	3	2 Hwy 257
7	8 Hwy 34	9	10	Hwy 34
	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	5N	67W	нwу 34

EXHIBIT B

INTERESTED PARTIES

The names and addresses of the interested parties (persons who own any interest in the mineral estate of the tracts to be pooled, except owners of overriding royalty interest) according to the information and belief of the Applicant are set forth in this Exhibit B.

Thomas E. Hellerich 2051 Vineyard Court Windsor, CO 80550	Hyla Ree Sloane 5380 E. Sanford Circle Englewood, CO 80113	James D. Richter and Audrey F. Richter 183 Tidewater Drive Windsor, CO 80550
Bear Creek Investments, LLC 183 Tidewater Drive Windsor, CO 80550	Trollco, Inc. 1625 Pelican Lakes Point Suite 201 Windsor, CO 80550	The Great Western Railway Company 252 Clayton Street, 4 th Floor Denver, CO 80204
Vima Partners, LLC 1625 Pelican Lakes Point Suite 201 Windsor, CO 80550	Pelican Lakes, LLC 1625 Pelican Lakes Point Suite 201 Windsor, CO 80550	Anadarko Land Corp. 1099 18th Street, Suite 1800 Denver, CO 80202
J. Michael Carrigan 2131 Cape Hatteras Court Windsor, CO 80550	Sandi H. Carrigan 2131 Cape Hatteras Court Windsor, CO 80550	Lighthouse Point Condominiums Owners Association P.O. Box 72 Windsor, CO 80550
Larry L. Schupbach P.O. Box 962 Graham, TX 76450	Jeffrey B. Lewis 30037 State Highway 257 Windsor, CO 80550	Susan L. Lewis 30037 State Highway 257 Windsor, CO 80550
James L. Abbott and Grace M. Abbott 8944 WCR 62 Windsor, CO 80550	Kerr-McGee Oil & Gas Onshore, LP 1099 18th Street, Suite 1800 Denver, CO 80202	Bank Midwest, N.A. 3780 W. 10th Street Greeley, CO 80634

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IN THE MATTER OF AN APPLICATION EXTRACTION OIL & GAS LLC FOR AN ORDER POOLING ALL **INTERESTS** IN THREE **APPROXIMATE** 640-ACRE DESIGNATED HORIZONTAL WELLBORE SPACING UNITS ESTABLISHED FOR SECTION 33, TOWNSHIP 6 NORTH, RANGE 67 WEST, 6TH P.M., FOR THE DEVELOPMENT/OPERATION OF THE CODELL AND NIOBRARA FORMATIONS, WATTENBERG FIELD, WELD COUNTY, COLORADO

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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:

Jennifer Pittenger

Subscribed and sworn to before me this _______day of June, 2015.

Witness my hand and official seal.

TERESA L. PETERSON
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 19894002026
MY COMMISSION EXPIRES OCT.4, 2017

Notary Public