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

IN THE MATTER OF AN APPLICATION BY)	
CRESCENT POINT ENERGY U.S. CORP. FOR AN)	CAUSE NO. 535
ORDER: (1) ESTABLISHING AN APPROXIMATE)	
960-ACRE DRILLING AND SPACING UNIT)	DOCKET NO. To be
COMPRISED OF ALL OF SECTION 36 AND THE)	assigned
E/2 OF SECTION 35, TOWNSHIP 8 NORTH,)	
RANGE 64 WEST, 6th PM, FOR HORIZONTAL)	
WELL DEVELOPMENT OF THE CODELL-)	
NIOBRARA FORMATIONS, WATTENBERG FIELD,)	
WELD COUNTY COLORADO; (2) AUTHORIZING)	
THE DRILLING OF UP TO TWENTY-EIGHT (28))	
HORIZONTAL WELLS WITHIN SUCH PROPOSED)	
DRILLING AND SPACING UNIT; (3) AUTHORIZING)	
ONE HUNDRED FIFTY FOOT (150') INTERWELL)	
SETBACKS; AND (4) AUTHORIZING FOUR)	
HUNDRED SIXTY FOOT (460') DRILLING AND)	
SPACING UNIT BOUNDARY LINE SETBACKS)	

APPLICATION

Crescent Point Energy U.S. Corp. ("<u>CPEUSC</u>" or "<u>Applicant</u>"), by and through its attorneys, Fox Rothschild LLP, respectfully submits this Application ("<u>Application</u>") to the Oil and Gas Conservation Commission of the State of Colorado ("<u>Commission</u>") for an order: (1) establishing an approximate 960-acre drilling and spacing unit comprised of all of Section 36 and the E/2 of Section 35, Township 8 North, Range 64 West, 6th P.M., for horizontal well development of the Codell-Niobrara Formations, Wattenberg Field, Weld County, Colorado; (2) authorizing the drilling of up to twenty-eight (28) horizontal wells within such proposed drilling and spacing unit; (3) authorizing one hundred fifty foot (150') interwell setbacks; and (4) authorizing four hundred sixty foot (460') drilling and spacing unit boundary line setbacks.

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 is registered as Operator No. 10520 with the Commission.
- 2. Applicant owns substantial leasehold interests in the below-listed lands ("Application Lands"):

Township 8 North, Range 64 West, 6th P.M. Section 35: E/2 Section 36: All Containing 960.00 acres, more or less

- 3. A map depicting the acreage comprising the Application Lands is attached hereto and incorporated herein as **Exhibit A**.
- 4. Pursuant to Commission Rule 318.a, the treated interval of wells drilled on the Application Lands to depths of 2,500' or greater must be located: (i) not less than six hundred feet (600.0') from the boundary line of the proposed drilling and spacing unit and (ii) not less than one thousand two hundred feet (1,200.0') from any other producible or drilling oil and gas well when drilled to the same common source of supply.
- 5. The Commission has issued no other orders concerning the establishment of drilling and spacing units touching and concerning the Application Lands.
- 6. Applicant requests that the Commission establish the Application Lands as an approximate 960-acre drilling and spacing unit for the Codell-Niobrara Formations, pursuant to Commission Rule 503.b.(1) and C.R.S. § 34-60-116(2) ("Proposed DSU").
- 7. The Proposed DSU is not smaller than the maximum area that can be economically and efficiently drained by the horizontal wells proposed by this Application to be drilled and completed in the Codell-Niobrara Formations.
- 8. Applicant also requests that it be authorized to drill and complete up to twenty-eight (28) horizontal wells in the Proposed DSU (collectively, "Wells"), for the production of oil, gas and associated hydrocarbons from the Codell-Niobrara Formations ("Increased Well Density Request"), pursuant to Commission Rule 503.b.(1).
- 9. Applicant further requests that the productive interval for any of the Wells be located no closer than one hundred fifty feet (150') from the productive interval of any other wellbore located within the in the Proposed DSU, absent exception being granted by the Director or variance being granted by the Commission ("Interwell Setback Request"), pursuant to Commission Rule 503.b.(1).
- 10. Applicant also requests that the productive interval for any of the Wells be located no closer than four hundred sixty feet (460') from the boundary of the Proposed DSU, absent exception being granted by the Director or variance being granted by the Commission ("Boundary Line Setback Request"), pursuant to Commission Rule 503.b.(1).
- 11. Applicant states that its request for the creation of the Proposed DSU, its Increased Well Density Request, its Interwell Setback Request, and its Boundary Line Setback Request are each necessary and will promote full, economic and efficient resource recovery, minimize surface impacts, create of efficiencies for drilling and production, increase the ultimate recovery of the hydrocarbon reserves, prevent waste, and protect correlative rights.

- 12. Applicant further states that no interested party will be prejudiced by the granting of the relief sought herein.
- 13. Applicant states that any horizontal wells to be drilled under this Application will be drilled on the surface of the proposed drilling and spacing unit, or on adjacent lands with consent of the landowner, absent exception being granted by the Director or variance being granted by the Commission.
- 14. The granting of this Application is in accord with the Oil and Gas Conservation Act, found at C.R.S. § 34-60-101, et seq., and the Commission Rules.
- 15. That the names and addresses of the interested parties (owners within the Application Lands and certain cornering/contiguous lands) are attached hereto and incorporated herein as <u>Exhibit B</u>.
- 16. Applicant shall submit a certificate of service for this Application within the seven (7) days required by Commission 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 the Application Lands as an approximate 960-acre drilling and spacing unit for the Codell-Niobrara Formations;
- B. Authorizing the drilling and completion of up to twenty-eight (28) horizontal wells in the proposed drilling and spacing unit, for the production of oil, gas and associated hydrocarbons from the Codell-Niobrara Formations;
- C. Authorizing the productive interval for any of the horizontal wells drilled and completed within the proposed drilling and spacing unit to be located no closer than one hundred fifty feet (150') from the productive interval of any other wellbore located within the proposed drilling and spacing unit, absent exception being granted by the Director or variance being granted by the Commission, pursuant to Commission Rule 503.b.(1);
- D. Authorizing the productive interval for any of the horizontal wells drilled and completed within the proposed drilling and spacing unit to be located no closer than four hundred sixty feet (460') from the boundary of the proposed drilling and spacing unit, absent exception being granted by the Director or variance being granted by the Commission; and
- E. For such other findings and orders as the Commission may deem proper or advisable.

Respectfully dated and submitted this 16th day of July, 2015.

By:

Brent D. Chicken (Colorado Bar No. 36217)

Fox Rothschild LLP Attorney for Applicant 1225 17th Street Suite 2200 Denver, CO 80202

303.446.3844

Applicant:

Crescent Point Energy U.S. Corp. Attn: Rick Feger 555 17th Street, Suite 1800 Denver, CO 80202 303.308.6265 rfeger@crescentpointenergy.com

Local Governmental Designee:

Troy Swain
Weld County Department of Planning Services
1555 North 17th Avenue
Greeley, CO 80631
970.353.6100
tswain@weldgov.com

<u>VERIFICATION</u>

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

Anthony Baldwin, Manager of Land and Business Development, Crescent Point Energy U.S. Corp., upon oath deposes and says that he has read the foregoing Application and that the statements contained therein are true to the best of her knowledge, information and belief.

CRESCENT POINT ENERGY U.S. CORP.

Anthony Baldwin

Manager of Land and Business Development

Acknowledged, subscribed and sworn to before me this 14 day of 3015 by Anthony Baldwin, Manager of Land and Business Development, Crescent Point Energy U.S. Corp.

SEAL

AMANDA MEDINA
NOTARY PUBLIC
STATE OF COLORADO
Notary ID 20144028150
MY COMMISSION EXPIRES JULY 17, 2018

Print Name: formuda (Vedina)

Notary Public

State of: Colorada

My commission expires: 4

EXHIBIT A

APPLICATION LANDS MAP

T8N R64W; Section 35: E/2 T8N R64W; Section 36: ALL 960 acres, more or less

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EXHIBIT B

INTERESTED PARTIES

The names and addresses of the interested parties (owners within Section 36 and the E/2 of Section 35 Township 8 North, Range 64 West, 6th P.M. and certain cornering/contiguous lands), according to the information and belief of the Applicant, are set forth in this Exhibit B.

RME Land Company c/o Anadarko Petroleum Corporation P.O. Box 9149 The Woodlands, TX 77487

Holland Acquisitions, Inc. d/b/a Holland Services 1600 Broadway Suite 1250 Denver, CO 80202

Noble Energy Inc. 1625 Broadway Suite 2200 Denver, CO 80202

Noble Energy WyCo, LLC 1625 Broadway Suite 2200 Denver, CO 80202

Gadeco, LLC 3600 S. Yosemite Street Suite 900 Denver, CO 80237

U.S. Department of the Interior c/o BLM Colorado State Office 2850 Youngfield Street Lakewood, CO 80215-7076

Denver Basin Oil & Gas, LLC P.O. Box 18288 Denver, CO 80218 State of Colorado State Board of Land Commissioners 1127 Sherman Street Suite 300 Denver, CO 80203-2283

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

IN THE MATTER OF AN APPLICATION BY CRESCENT POINT ENERGY U.S. CORP. FOR AN ORDER: (1) ESTABLISHING AN APPROXIMATE 960-ACRE DRILLING AND SPACING COMPRISED OF ALL OF SECTION 36 AND THE E/2 OF SECTION 35, TOWNSHIP 8 NORTH, RANGE 64 WEST, 6th PM, FOR HORIZONTAL DEVELOPMENT OF THE CODELL-NIOBRARA FORMATIONS, WATTENBERG FIELD, WELD COUNTY COLORADO; (2) AUTHORIZING THE DRILLING OF UP TO TWENTY-EIGHT (28) HORIZONTAL WELLS WITHIN SUCH PROPOSED DRILLING AND SPACING UNIT; (3) AUTHORIZING ONE HUNDRED FIFTY FOOT (150') INTERWELL SETBACKS; AND (4) AUTHORIZING FOUR HUNDRED SIXTY FOOT (460') DRILLING AND SPACING UNIT BOUNDARY LINE SETBACKS

CAUSE NO. 535

DOCKET NO. To be assigned

CERTIFICATE OF SERVICE

Brent D. Chicken, of lawful age, and being first duly sworn upon his oath, states and declares that he is the attorney for Crescent Point Energy U.S. Corp. with respect to the above-captioned matter, and that on July 16, 2015, he 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.

Brent D. Chicken

Subscribed and sworn to before me on the day of July, 2015

Witness my hand and official seal.

CYNDI NICHOLS
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 19084014315
MY COMMISSION EXPIRES MAY 22, 2018

Notary Public