

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

IN THE MATTER OF THE APPLICATION OF)
EXTRACTION OIL & GAS, LLC FOR AN ORDER)
MODIFYING ORDER NOS. 421-45 AND 421-55)
AND ALLOW ADDITIONAL WELLS IN AN) Cause No. 421
EXISTING 1,305.33-ACRE DRILLING AND)
SPACING UNIT AND ESTABLISH WELL) Docket No. 150900544
LOCATION RULES APPLICABLE TO THE)
DRILLING AND PRODUCING OF WELLS FROM) Type: INCREASED DENSITY
THE CODELL AND NIOBRARA FORMATIONS)
COVERING LANDS IN SECTIONS 15, 22, AND)
27, TOWNSHIP 12 NORTH, RANGE 64 WEST,)
6TH P.M., WELD COUNTY, COLORADO.	·)

APPLICATION

Extraction Oil & Gas, LLC, Operator No. 10459 ("Applicant" or "Extraction"), by and through its attorneys, Welborn Sullivan Meck & Tooley, P.C., respectfully submits this Application to the Oil and Gas Conservation Commission of the State of Colorado ("Commission") for an order: (1) modifying Order No. 421-45 to approve modified setbacks in an existing 1,305.34-acre drilling and spacing unit applicable to the drilling of wells and producing of oil, gas, and associated hydrocarbons from the Codell Formation; and (2) modifying Order No. 421-55 to approve additional wells and modified setbacks in an existing 1,305.33-acre drilling and spacing unit applicable to the drilling of wells and producing of oil, gas, and associated hydrocarbons from the Niobrara Formation covering certain lands in Weld County, Colorado. In support of its Application, Applicant states as follows:

1. Applicant owns leasehold interests in the following lands ("Application Lands"):

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

Section 15: Lots 1-4 (that portion lying within the State of Colorado)

Section 22: All Section 27: All

A reference map of the Application Lands is attached hereto.

2. On December 15, 2014, the Commission entered Order No. 421-45, which established an approximate 1,305.34-acre drilling and spacing unit for the Application Lands, approved up to four (4) horizontal wells within the unit for the production of oil, gas and associated hydrocarbons from the Codell Formation, with the productive interval of each wellbore 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 a unit boundary unless such boundary abuts or

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{00379361.2}

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, without exception being granted by the Director. If the Commission has not at the time of the drilling permit application granted to owners of adjacent or cornering lands the right to locate the treated interval of the wellbore no closer than 300 feet from a unit boundary, then the productive interval of the wellbore shall be located no closer than the distance permitted in the adjacent or cornering lands, without exception being granted by the Director.

- 3. On December 15, 2014, the Commission entered Order No. 421-55, which established an approximate 1,305.33-acre drilling and spacing unit for the Application Lands, approved up to two (2) horizontal wells within the unit for the production of oil, gas and associated hydrocarbons from the Niobrara Formation, with the productive interval of each wellbore no closer than 150 feet from the productive interval of any other wellbore producing from the Niobrara Formation, and no closer than 600 feet from a unit boundary, without exception being granted by the Director.
- 4. The Codell and Niobrara Formations are common sources of supply under the Application Lands.
- 5. To promote efficient drainage of the Codell and Niobrara Formations within the Application Lands and to avoid waste, the Commission should: (1) modify Order No. 421-45 in so far as the 600 foot distance between the productive interval of each wellbore be no closer than 600 feet from the east and west unit boundaries and no closer than 300 feet from the north and south unit boundaries; and (2) modify Order No. 421-55 to allow a total of up to four (4) wells, within the unit and amend the 600 foot distance between the productive interval of each wellbore and the unit boundaries so that the productive interval of each wellbore be no closer than 600 feet from the east and west unit boundaries and no closer than 300 feet from the north and south unit boundaries.
- 6. Applicant requests the surface location for each proposed horizontal well be located at a legal location in the above-described drilling and spacing units or on adjacent lands.
- 7. Applicant requests authority to drill only those wells necessary to determine the well density which allows the most efficient drainage of the Codell and Niobrara Formations, prevents waste, does not adversely affect correlative rights, and assures the greatest ultimate recovery of oil, gas and associated hydrocarbon substances from the Codell and Niobrara Formations. The drilling and spacing units are not smaller than the maximum area that can be economically and efficiently drained by the proposed wells in such drilling and spacing unit. Applicant further maintains that wells drilled in the drilling and spacing unit will have no adverse effect on correlative rights of adjacent owners.
- 8. The names and addresses of the interested parties according to the information and belief of the Applicant are set forth in <u>Exhibit A</u> attached hereto and made a part hereof, and the undersigned certifies that copies of the original Application shall be served on each interested party as required by Rule 503.e., 507.b.1, and 507.b.5.

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 consistent with Applicant's proposals as set forth above.

Dated this 16th day of July, 2015

Respectfully submitted,

WELBORN SULLIVAN MECK & TOOLEY, P.C.

By:

Joseph C. Pierzchala Chelsey J. Russell

Welborn Sullivan Meck & Tooley, P.C.

Attorneys for Applicant

1125 - 17th Street, Suite 2200

Denver, CO 80202 303-830-2500

Applicant's Address:

370 17th Street, Suite 5300 Denver, CO 80202

Attn: Drew Stout, Land Tech

Phone: 720.557.8325

VERIFICATION

STATE OF COLORADO)	
CITY & COUNTY OF DENVER) ss.)	
Drew Stout, Land Tech with Extra has read the foregoing Application and his knowledge, information and belief.		on oath deposes and says that he ned therein are true to the best of
	EXTRACTION OIL & GA	S, LLC
	Drew Stout, Land Tech	tust .
Subscribed and sworn to before		2015, by Drew Stout, Land Tech
for Extraction Oil & Gas, LLC.	me this <u>ry</u> day of odly,	, 2010, by Diew Stout, Land Tech
Witness my hand and official sea	al.	
TARA PETERS NOTARY PUBLIC STATE OF COLORADO NOTARY ID 20114039482 MY COMMISSION EXPIRES JUNE 28, 2019	Notary Public My Commission Expires	: 6/28/19

EXHIBIT A

INTERESTED PARTIES

RME Petroleum Company c/o Anadarko Petroleum Corporation P.O. Box 9149 The Woodlands, TX 77387-9147

Kent Kuster Oil & Gas Consultant Coordinator CDPHE 4300 Cherry Creek Drive South Denver, CO 80246-1500

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

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

Anadarko E&P Company, Inc. P.O. Box 173779
Denver, CO 80217

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

Chalk Bluffs Foundation for Historic Preservation and Conservation 9 E. Glenbrook Circle East Richmond, VA 23229

12N 4W 1" = 2500 Feet

Reference Map - Secs. 15, 22, and 27, T12N, R64W, 6th P.M.

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

IN THE MATTER OF THE APPL EXTRACTION OIL & GAS, LLC FOR MODIFYING ORDER NOS. 421-45 AND ALLOW ADDITIONAL WE EXISTING 1,305.33-ACRE DRII SPACING UNIT AND ESTABLE LOCATION RULES APPLICABLE DRILLING AND PRODUCING OF WITHE CODELL AND NIOBRARA FOOVERING LANDS IN SECTIONS 27, TOWNSHIP 12 NORTH, RANG 6TH P.M., WELD COUNTY, COLOR	R AN ORDER AND 421-55 LLS IN AN LLING AND LISH WELL E TO THE VELLS FROM ORMATIONS 15, 22, AND GE 64 WEST,		Cause No. 421 Docket No. 150900544 Type: INCREASED DENSITY
	AFFIDAVIT OF	MAILING	
STATE OF COLORADO CITY AND COUNTY OF DENVER	<i>\$</i>		

I, Joseph C. Pierzchala, of lawful age, and being first duly sworn upon my oath, state and declare:

That I am the attorney for Extraction Oil & Gas, LLC and that on or before July 23 2015, I caused a copy of the attached Application to be deposited in the United States mail, postage prepaid, addressed to the parties on the Exhibit A to the Application.

Joseph C. Pierzchala

Subscribed and sworn to before me <u>July</u> <u>33</u>, 2015

Witness my hand and official seal.

MELISSA A. MORMAN **NOTARY PUBLIC** STATE OF COLORADO NOTARY ID 19894012434 MY COMMISSION EXPIRES AUGUST 29, 2017 Metasia D. Mormana Notary Public My commission expires: 8/29/2017

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

IN THE MATTER OF THE APPLICATION)		
OF EXTRACTION OIL & GAS, LLC FOR)		
AN ORDER MODIFYING ORDER NOS.)		
421-45 AND 421-55 AND ALLOW)	Cause No.	421
ADDITIONAL WELLS IN AN EXISTING)		
1,305.33-ACRE DRILLING AND SPACING)	Docket No.	150900544
UNIT AND ESTABLISH WELL LOCATION)		
RULES APPLICABLE TO THE DRILLING)	Type:	INCREASED
AND PRODUCING OF WELLS FROM THE)	DENSITY	
CODELL AND NIOBRARA FORMATIONS)		
COVERING LANDS IN SECTIONS 15, 22,)		
AND 27, TOWNSHIP 12 NORTH, RANGE)		
64 WEST, 6TH P.M., WELD COUNTY,			
COLORADO.			

AMENDED EXHIBIT A

Adjacent Lands: Township 12 North, Range 64 West, Section 34

Jacquelyn W. Nephi Wendall Navanick, Sr.
P.O. Box 33 P.O. Box 7
Towaoc, CO 81334-0033 Fort Duchesne, UT 84026-0007

Reece W. Lopez
P.O. Box 548
P.O. Box 56
Fort Duchesne, UT 84026-0548
Patsy N. Larose
P.O. Box 56
Fort Duchesne, UT 84026-0056

Sasha R. Lopez
P.O. Box 548
P.O. Box 272
Fort Duchesne, UT 84026-0548
Fort Duchesne, UT 84026-0272

Mary A. Navanick
P.O. Box 774
P.O. Box 293
Tuba City, AZ 86045-0774
Belinda C. Anderson C/O Shelly Lopez
P.O. Box 293
Towaoc, CO 81334-0293

Crystal Navanick Glen E. Cotonuts
P.O. Box 1273 P.O. Box 73
Salt Lake City, UT 84110-1273 Towaoc, CO 81334-0073

Stacey Nephi Kursh B. Cotonuts
P.O. Box 952 P.O. Box 1731
Fort Washakie, WY 82514-0952 Cortez, CO 81321-1731

Paulette F. Navanick P.O. Box 342 Fort Duchesne, UT 84026-0342

Bettina J. Wissiup P.O. Box 63 Fort Duchesne, UT 84026-0063

April D. Cesspooch P.O. Box 44 Fort Duchesne, UT 84026-0044

Leslie R. Wissiup P.O. Box 1004 Fort Duchesne, UT 84026-1004

Deljean Redfoot 1306 Linwood Ave. SW Olympia, WA 98512-6823

Jim Redfoot 805 South 160 East Apt #302 Vernal, UT 84078

Antonio N. Redfoot P.O. Box 146 Fort Duchesne, UT 84026-0146

Marvin James Redfoot Rural Route #1 Box 1132 Roosevelt, UT 84066

Joan Beston P.O. Box 87 Whiterocks, UT 84085-0087

Carol A. La Framboise 927 W. Cheryl Dr. Apt 41 Phoenix, AZ 85021-2349

Cheryl B. Gardner P.O. Box 401 Fort Duchesne, UT 84026-0401 Allen V. Gardner C/O April Wissiup P.O. Box 44 Fort Duchesne, UT 84026-0044

Melvera C. Bateman 2222 S 200 E #2 Salt Lake City, UT 84115

BIA Southern Ute Agency P.O. Box 315 Ignacio, CO 81137-0315

Leroy T Hatch P.O. Box 17 Towaoc, CO 81334-0017

Boyd Lopez P.O. Box 492 Towaoc, CO 81334-0492

Prisllena Lopez P.O. Box 153 Towaoc, CO 81334-0153

Shelly M. Lopez P.O. Box 293 Towaoc, CO 81334-0293

Tracy Gene Lopez P.O. Box 366 Fort Duchesne, UT 84026-0366

Madeline D Gishie RT 1 Box 1132 Roosevelt, UT 84066

Jaiceon W. Clark C/O Jorel Clark P.O. Box 328 Towaoc, CO 81334-0328

Covenant Energy, Inc. P.O. Box 4256 Wichita Falls, TX 76308 Noble Energy WyCo, LLC P.O. Box 81026 Billings, MT 59108-1026 U.S. Department of Interior Bureau of Land Management 2850 Youngfield Street Lakewood, CO 80215

Double Eagle Energy Rockies, LLC 1401 Ballinger Street, Suite 203 Fort Worth, TX 76102