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

IN THE MATTER OF THE AMENDED	)
APPLICATION OF EXTRACTION OIL & GAS,	)
LLC FOR AN ORDER (1) VACATING A	)
PORTION OF ORDER NO. 421-3 AND (2)	) Cause No. 421
MODIFYING ORDER NO. 421-44 TO INCLUDE	)
THE NIOBRARA FORMATION, ALLOW	) Docket No. 150900546
ADDITIONAL WELLS IN AN EXISTING 1,280-	)
ACRE DRILLING AND SPACING UNIT AND	) Type: SPACING AND
ESTABLISH WELL LOCATION RULES	) INCREASED DENSITY
APPLICABLE TO THE DRILLING AND	, )
PRODUCING OF WELLS FROM THE CODELL	)
AND NIOBRARA FORMATIONS COVERING	; )
LANDS IN SECTION 1, TOWNSHIP 11 NORTH,	, )
RANGE 62 WEST, 6TH P.M. AND SECTION 36,	)
TOWNSHIP 12 NORTH, RANGE 62 WEST, 6TH	· )
P.M., WELD COUNTY, COLORADO.	•

### **AMENDED** 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 **Amended** Application to the Oil and Gas Conservation Commission of the State of Colorado ("Commission") for an order (1) vacating Order No. 421-3 only as it pertains to the Application Lands, and (2) modifying Order No. 421-44 to include the Niobrara Formation, approve additional wells and modified setbacks in an existing 1,280-acre drilling and spacing unit described in this Application applicable to the drilling of wells and producing of oil, gas, and associated hydrocarbons from the Codell and Niobrara Formations 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 11 North, Range 62 West, 6th P.M.

Section 1: All

Township 12 North, Range 62 West, 6th P.M.

Section 36: All

A reference map of the Application Lands is attached hereto.

2. On October 21, 2010, the Commission entered Order No. 421-3, which established 83 approximate 640-acre drilling and spacing units and approved one horizontal well

within each unit for the production of oil, gas and associated hydrocarbons from the Niobrara Formation. The Application Lands are subject to this Order for the Niobrara Formation.

- 3. On December 15, 2014, the Commission entered Order No. 421-44, which established an approximate 1,280-acre drilling and spacing unit for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Codell Formation, and approved up to four (4) horizontal wells within the unit and the treated interval of the wellbore shall be no closer than 600 feet from the treated 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 corners lands for which the Commission has not at the time of the drilling permit application granted the right to locate the treated 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 treated 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. The Application Lands are subject to this Order for the Codell Formation.
  - 4. The Codell and Niobrara Formations underlie 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) vacate Order No. 421-3 as it pertains to the Application Lands; (2) modify Order No. 421-44 to include the Niobrara Formation and allow for a total of up to eight (8) wells within the 1,280-acre drilling and spacing unit covering the Application Lands in order to efficiently and economically recover oil, gas and associated hydrocarbons from the Codell and Niobrara Formations.
- 6. Applicant requests the surface location for each proposed horizontal well be located at a legal location in the above-described drilling and spacing unit or on adjacent lands. Applicant further requests that the 600 foot distance between the productive interval of each wellbore and the unit boundaries established in Order No. 421-44 be amended and 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.
- 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 unit is 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 **Amended** Application shall be served on each interested party as required by Rule 503.e., 507.b.1, and 507.b.5.

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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, amended August 5, 2015.

Respectfully submitted,

WELBORN SULLIVAN MECK & TOOLEY, P.C.

Bv:

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 17<sup>th</sup> Street, Suite 5300 Denver, CO 80202

Attn: Drew Stout, Land Tech

Phone: 720.557.8325

### **VERIFICATION**

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

Drew Stout, Land Tech with Extraction Oil & Gas, LLC, upon oath deposes and says that he has read the foregoing **AMENDED** Application and that the statements contained therein are true to the best of his knowledge, information and belief.

EXTRACTION OIL & GAS, LLC

Drew Stout, Land Tech

Subscribed and sworn to before me this \_\_\_\_\_ day of August, 2015, by Drew Stout, Land Tech for Extraction Oil & Gas, LLC.

Witness my hand and official seal.

Notary Public

My Commission Expires:

#### **EXHIBIT A**

#### INTERESTED PARTIES

Bill Barrett Corporation 1099 18<sup>th</sup> Street, Suite 2300 Denver, CO 80202

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

Peteco Properties LLC 5236 Pinehurst Drive Denver, CO 80206

BNSF Railway Company 2500 Lou Menk Drive Fort Worth, TX 76131-2830

Jerry L. Burnett and Margaret E. Burnett PO Box 4 Hereford, CO 80732

Richard L. Pettinger and Lisa R. Pettinger 37490 Weld County Road 57 Eaton, CO 80615

Rory J. Pettinger 37490 Weld County Road 57 Eaton, CO 80615

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 17<sup>th</sup> Street Greeley, CO 80631

EOG Resources, Inc. 600 17th Street, Suite 1000N Denver, CO 80202

Anadarko Land Corporation 1099 18th Street, Suite 1800 Denver, CO 80202

The Regents of the University of Colorado 1800 Grant Street, Suite 600, 25 UCA Denver, CO 80203

IOCL (USA) Inc. 333 Clay Street, Suite 3300 Houston, TX 77002

Oil India (USA) Inc. 333 Clay Street, Suite 3300 Houston, TX 77002

Carrizo (Niobrara) LLC 500 Dallas Street, Suite 2300 Houston, TX 77002

Haimo Oil & Gas LLC 2901 Wilcrest Drive, Suite 285 Houston, TX 77042

8 North LLC 370 17th Street, Suite 5300 Denver, CO 80202

David A. Dechant, Trustee of the Ten Hand Trust 8029 CR 39 Fort Lupton, CO 80621 Freedom Holding Company LLC P.O. Box 1091 Brighton, CO 80601

Diane Schissler 223 S. 16th Avenue Brighton, CO 80601

Reference Map - Sec. 1, T11N, R62W and Sec. 36, T12N, R62W, 6th P.M.

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À F	1" = 2500 Feet 1250 2500 5000	. 12	7	

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P.M., WELD COUNTY, COLORADO.		

#### AFFIDAVIT OF MAILING

STATE OF COLORADO 888 CITY AND COUNTY OF DENVER

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 August 7, 2015, I caused a copy of the attached **AMENDED** Application to be deposited in the United States mail, postage prepaid, addressed to the parties on the Exhibit A to the Application.

Subscribed and sworn to before me August 11

Witness my hand and official seal.

MELISSA A. MORMAN **NOTARY PUBLIC** STATE OF COLORADO NOTARY ID 19894012434 MY COMMISSION EXPIRES AUGUST 29, 2017

Notary Public

My commission expires: 1/29/2017