## 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 MODIFYING ORDER NO. 535-595 TO INCLUDE THE NIOBRARA FORMATION, ALLOW ADDITIONAL WELLS IN AN EXISTING 1,280-ACRE DRILLING AND SPACING UNIT. AND ESTABLISH WELL. LOCATION RULES APPLICABLE TO THE DRILLING AND PRODUCING OF WELLS FROM THE CODELL AND NIOBRARA FORMATIONS COVERING LANDS IN SECTIONS 6 AND 7. TOWNSHIP 10 NORTH, RANGE 61 WEST, 6TH P.M., WELD COUNTY, COLORADO,

Cause No. 535

Docket No. 150900547

Type: SPACING AND INCREASED DENSITY

#### **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 modifying Order No. 535-595 to include the Niobrara Formation and approve additional wells and modified setbacks in an existing 1280-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 10 North, Range 61 West, 6th P.M.Section 6:AllSection 7:All

A reference map of the Application Lands is attached hereto.

2. Rule 318.a. provides that a well drilled in excess of 2,500 feet in depth 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 source of supply, unless authorized by order of the Commission upon hearing. The Application Lands are subject to this Rule for the Niobrara Formation.

3. On December 15, 2014, the Commission entered Order No. 535-595, which established an approximate 1280-acre drilling and spacing unit for the Application Lands, for the

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AUG 0 5 2015 COGCC 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 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 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. 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) modify Order No. 535-595 to include the Niobrara Formation and allow for a total of 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. 535-595 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.

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 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  $4^{-th}$  day of August, 2015, by Drew Stout, Land Tech for Extraction Oil & Gas, LLC.

Witness my hand and official seal.

MY COMN 2010

Notary Public My Commission Expires:

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#### EXHIBIT A

## **INTERESTED PARTIES**

RK Pinson & Associates, LLC 621 17th Street, Suite 1555 Denver, CO 80293

Noble Energy Wyco, LLC 1625 Broadway, Suite 2000 Denver, CO 80202-4720

Northstar Energy Company, LLC 1800 Glenarm Pl, Suite 1203 Denver, CO 80202

Weld County 1150 "O" Street Greeley, CO 80631

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

8 North LLC 370 17th Street, Suite 5300 Denver, CO 80202 Morning Gun Exploration LLC 1601 Arapahoe Street 16th Floor, Daniels and Fisher Tower, Box-1 Denver, CO 80202

David Leslie Bashor 56971 WCR 87 Grover, CO 80729

Clinton Neil Bashor 41455 WCR 106 Briggsdale, CO 80611

William Clyde Bashor 57001 WCR 390 Grover, CO 80729

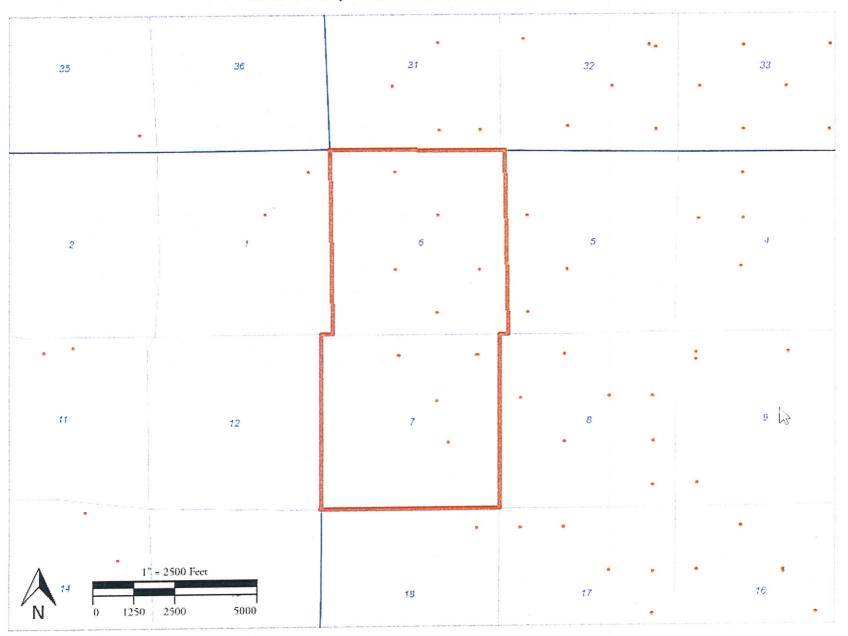
Lawrence J. Shupe & Marjorie A. Shupe Revocable Living Trust 2001 N. 66th St. Scottsdale, AZ 85257

Clifford M. Johnson P.O. Box 811 Sidney, NE 69162

Centennial Mineral Holdings, LLC 5950 Cedar Springs Road, Suite 200 Dallas, TX 75235

Estate of Janet J. May 928 N. Yale Dr. Gilbert, AZ 85234

R.V. Borchert 2392 El Rancho Road Sidney, NE 69162



Reference Map - Secs. 6 and 7, T10N, R61W, 6th P.M.

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STATE OF COLORADO

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 Armst 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.

Joseph C/Pierzchala

Subscribed and sworn to before me <u>August 11</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

Mulasia D. Mounan Notary Public My commission expires: 8/24/2017

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