

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



IN THE MATTER OF THE APPLICATION
OF RBF MINERALS, LLC FOR AN ORDER
POOLING ALL MINERAL INTERESTS
INCLUDING ALL UNLEASED AND/OR
NONCONSENTING MINERAL INTERESTS
INVOLUNTARILY IN THE CRETACEOUS
AGE FORMATIONS IN A DESIGNATED
WELLBORE SPACING UNIT LOCATED IN
THE WATTENBERG FIELD, WELD
COUNTY, COLORADO

Cause No. 407

Docket No. _____

APPLICATION

COMES NOW RBF MINERALS, LLC (referred to herein as "Applicant"), by and through its undersigned attorneys, and makes application to the Colorado Oil and Gas Conservation Commission ("Commission"), for an order to pool all mineral interests including all unleased and/or nonconsenting mineral interests within a designated wellbore spacing unit for two wells to produce from the Cretaceous Age Formations located in Section 22: NE/4, Township 6 North, Range 67 West, 6th P.M., Weld County, Colorado ("Wellbore Spacing Unit"). In support hereof, the Applicant states and alleges as follows:

1. Applicant is a Colorado limited liability company duly authorized to conduct business in the State of Colorado. Blackhawk Minerals, LLC, a Colorado limited liability company, ("Blackhawk"), a farmee under Farmout Agreement with Applicant, and Applicant have contracted with Peterson Energy Operating Inc. to drill and operate the 392 Ventures #31-22D, 392 Ventures #41-22D, 392 Ventures #22CD, 392 Ventures #32-22D and 392 Ventures #42-22D Wells being drilled to bottom hole locations in Section 22: NE/4, T6N, R67W, 6th P.M ("Wellbore Spacing Unit"). Peterson Energy Operating Inc. is a registered operator in good standing with the Commission.

2. Applicant owns certain leasehold interests in the Wellbore Spacing Unit requested for pooling.

3. On December 19, 1983, the Commission issued Order No. 407-1 (amended March 29, 2000), which among other things, established 80-acre drilling and spacing units for the production of oil and/or gas and associated hydrocarbons from the Codell Formation underlying certain lands, with the unit to be designated by the operator drilling the first well in the quarter section. The permitted area shall be located in the center of either 40-acre tract within the unit with a tolerance of 200 feet in any direction. The operator shall have the option to drill an additional well on the undrilled 40-acre tract in each 80-acre drilling and spacing unit. Section 22, Township 6 North, Range 67 West, 6th P.M. is subject to this Order for the Codell Formation.

4. On February 19, 1992, the Commission issued Order No. 407-87 (amended August 20, 1993), which among other things, established 80-acre drilling and spacing units for the

production of oil and/or gas from the Codell and Niobrara Formations underlying certain lands, with the permitted well locations in accordance with the provisions of Order No. 407-1. Section 22, Township 6 North, Range 67 West, 6th P.M. is subject to this Order for the Codell and Niobrara Formations.

5. Applicant's operator, Peterson Energy Operating Inc., holds approved Applications for Permit to Drill for the 392 Ventures #31-22D, 392 Ventures #41-22D, 392 Ventures #22CD, 392 Ventures #32-22D and 392 Ventures #42-22D Wells within the Wellbore Spacing Unit. Additional wells may be drilled in the Wellbore Spacing Unit.

6. On April 27, 1998, the Commission adopted Rule 318.A., 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. Pursuant to Rule 318.A.j., Rule 318.A. supersedes all prior Commission drilling and spacing orders affecting well location and density requirements of Greater Wattenberg Area wells. Rule 318.A.d. provides that an operator may allocate production to any drilling and spacing unit with respect to a particular Cretaceous Age Formation consistent with the provisions of Rule 318.A. The lands encompassing the Wellbore Spacing Unit are subject to this Rule, specifically Rule 318A.a.(4)(C) and 318A.e.(2), for the Codell and Niobrara Formations.

7. Applicant, pursuant to Commission Rules 318A and 530 and pursuant to the provisions of C.R.S. §34-60-116, seeks an order to pool all mineral interests and to involuntarily pool all nonconsenting and/or unleased mineral interests not voluntarily pooled in the Cretaceous Age Formations underlying the following described 160-acre wellbore spacing unit:

Township 6 North, Range 67 West, 6th P.M.
Section 22: NE/4

Weld County, Colorado

(referred to herein as the "Wellbore Spacing Unit")

8. Applicant and Blackhawk, through their contract operator, are drilling the 392 Ventures #31-22D Well, API #05-123-34006 within the designated Wellbore Spacing Unit with an approximate surface location of 1521' FNL and 2344' FWL of Section 22, Township 6 North, Range 67 West and an approximate bottomhole location of 661' FNL and 1958' FEL of Section 22.

9. Applicant and Blackhawk, through their contract operator, are drilling the 392 Ventures #41-22D Well, API #05-123-34008 (hereinafter the "Proposed Wellbore Spacing Unit Well") within the designated Wellbore Spacing Unit with an approximate surface location of 1537' FNL and 2390' FWL of Section 22, Township 6 North, Range 67 West and an approximate bottomhole location of 661' FNL and 653' FEL of Section 22.

10. Applicant and Blackhawk, through their contract operator, are drilling the 392 Ventures #22CD Well API #05-123-34000 (hereinafter the "Proposed Wellbore Spacing Unit Well") within the designated Wellbore Spacing Unit with an approximate surface location of 1543' FNL and 2405' FWL of Section 22, Township 6 North, Range 67 West and an approximate bottomhole location of 1,322' FNL and 1305' FEL of Section 22.

11. Applicant and Blackhawk, through their contract operator, are drilling the 392 Ventures #32-22D Well API #05-123-34004 (hereinafter the "Proposed Wellbore Spacing Unit Well") within the designated Wellbore Spacing Unit with an approximate surface location of 1563' FNL and 2415' FWL of Section 22, Township 6 North, Range 67 West and an approximate bottomhole location of 1,984' FNL and 1957' FEL of Section 22.

12. Applicant and Blackhawk, through their contract operator, are drilling the 392 Ventures #42-22D Well API #05-123-34011 (hereinafter the "Proposed Wellbore Spacing Unit Well") within the designated Wellbore Spacing Unit with an approximate surface location of 1548' FNL and 2420' FWL of Section 22, Township 6 North, Range 67 West and an approximate bottomhole location of 1,982' FNL and 652' FEL of Section 22. All above wells and any future wells that may be drilled in the Wellbore Spacing Unit are collectively referred to as the "Wellbore Spacing Unit Wells" or "Wells".

13. Exhibit A attached hereto lists the mineral owners for the Wellbore Spacing Unit together with their addresses. All unleased and/or nonconsenting mineral owners have been offered the opportunity to voluntarily participate in the Wellbore Spacing Unit Wells. To date, however, not all of such mineral owners have elected to participate by agreeing to bear their respective proportionate shares of the costs and risks of drilling, completing and operating the Wells. AFEs containing the information respecting these Wells required by Commission Rule 530.b. were sent to these mineral owners more than thirty (30) days prior to the date of the hearing on this Application.

14. All mineral owners (not otherwise leased, participating or voluntarily pooled) have been offered the opportunity to lease their minerals to Applicant upon terms consistent with the leases obtained from the other mineral owners in the Wellbore Spacing Unit. To date, however, certain mineral owners have failed or refused such reasonable offers to lease their minerals to Applicant. Reasonable offers to lease required by Commission Rule 530.c. were sent to these mineral owners more than thirty (30) days prior to the date of the hearing on this Application.

15. Maps of the Wellbore Spacing Unit depicting approximate surface and bottom hole locations of the Wells ("Wells Map"), the location of the Wellbore Spacing Unit ("Location Map") and lessor ownership ("Lessor Ownership Map") are attached hereto and incorporated herein by this reference as Exhibits "B", "C", and "D", respectively.

16. In order to prevent waste, protect correlative rights and foster the best interests of conservation of oil and gas resources, all mineral interests of parties entitled to participate in production from the Wells, as listed on Exhibit A hereto, should be pooled, and unleased and/or nonconsenting mineral owners should be involuntarily pooled as to production from the Cretaceous Age Formations in accordance with C.R.S. §34-60-116 and Commission Rules 318A and 530.

17. Applicant requests that the Commission's involuntary pooling order issued with respect to this Application be made retroactive to the date of the spudding of the first of the drilled Wells.

18. Notice of this Application has been provided to those parties listed on Exhibit A attached hereto.

WHEREFORE, Applicant respectfully requests that this matter be set for hearing in March, 2012, that notice thereof be given as required by law and that upon such hearing this Commission enter its order:

A. Pooling involuntarily as to production from the Cretaceous Age Formations all of the unleased and/or nonconsenting mineral interest owners listed on Exhibit A with whom Applicant has been unable to secure a lease or an agreement for the drilling of the Wells as described above, and that such owners be treated as non-consenting owners under C.R.S. §34-60-116 and made subject to the terms and penalties provided for therein.

B. That all interest owners in the Wellbore Spacing Unit which have granted an oil and gas lease to Applicant in the Wellbore Spacing Unit be pooled as to production from the Cretaceous Age Formations with such terms as are just and reasonable affording to each owner the opportunity to receive his or her equitable share of production, and further providing that production from the Wellbore Spacing Unit be allocated to each mineral interest owner on the basis of the proportion that the mineral acres owned by each owner bears to the total mineral acres within the Wellbore Spacing Unit.


C. That the effective date of the Commission's involuntary pooling order will be made retroactive to the date of spudding of the first of the drilled Wells.

D. For such other findings and orders as the Commission may deem proper or advisable in the premises.

DATED this 30th day of December, 2011.

Respectfully submitted,

RBF MINERALS, LLC

By: 
Randall J. Feuerstein (#10479)
Attorney for Applicant
Dufford & Brown, P.C.
1700 Broadway, Suite 2100
Denver, Colorado 80290
(303) 832-3804

Applicant's Address:
7251 West 20th Street, Suite D-1
Greeley, CO 80634

EXHIBIT A

Interested Parties

Leased Mineral Interest Owners:

The Jacob H. Stromberger Living Trust, dated March 4, 1994
228 Walnut Street
Windsor, CO 80550

The Betty Stromberger Living Trust, dated March 4, 1994
228 Walnut Street
Windsor, CO 80550

FLM Asset Management, LLC
9500 Highway 392
Windsor, CO 80550

Mark A. Brinkman
9500 Highway 392
Windsor, CO 80550

392 Ventures LLC
P.O. Box 99
Windsor, CO 80550

Poulsen, LLC
151 South Oak Ave.
Eaton, CO 80615

Black & Silver Ents, LLC
6863 WCR 60
Windsor, CO 80550

ERIS International, Inc.
301 Habitat Bay
Windsor, CO 80550

Farmee:

Blackhawk Minerals, LLC
361 71st Avenue
Greeley, CO 80634

Unleased Mineral Interest Owners:

The Burlington Northern and Santa Fe Railway Company, nka BNSF Railway Company
2500 Lou Menk Drive
Fort Worth, TX 76131-2830

The Burlington Northern and Santa Fe Railway Company, nka BNSF Railway Company
Lock Box 676167
Dallas, TX 75267-6167

Cc: Ms. Debbie Pringer, CMM
Mineral Manager
Farmers National Company
5110 S. Yale, Suite 400
Tulsa, OK 74135

Exhibit B

COGCC Cause No. 407, Docket No. _____; RBF Minerals Involuntary Pooling, Wells Map S/2NE1/4, Sec. 22, T6N, R67W, Weld County

Layers

- O&G Facilit
- Wells
- Well Name
- Well API#
- Pits
- PendingPermits
- Pending2A (Diamond)
- Permits
- Well Status
- COGCC Data
- O&G Locations
- Directionals
- COGCC Rules
- Roan Rim
- Piceance
- Paradox H2S
- GWA H2O
- Samp
- CDPS
- WLR_318B
- GWA317A
- GWA318Ae
- GWA318A
- Hearing Applications
- Spacing
- PWS
- Contacts
- 317B
- CDPHE
- O&G Fields
- Sample Locs
- SeismicPermits

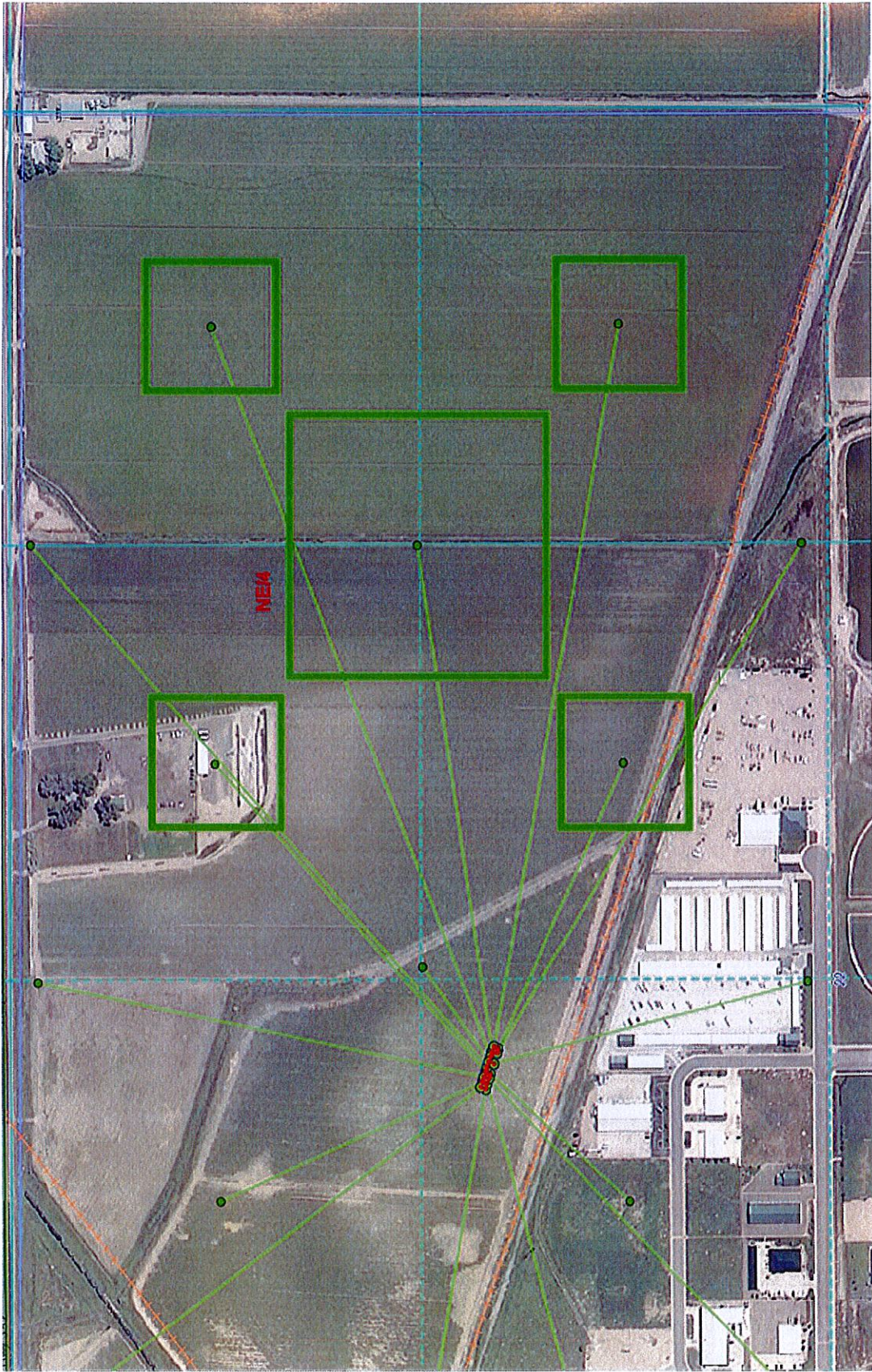
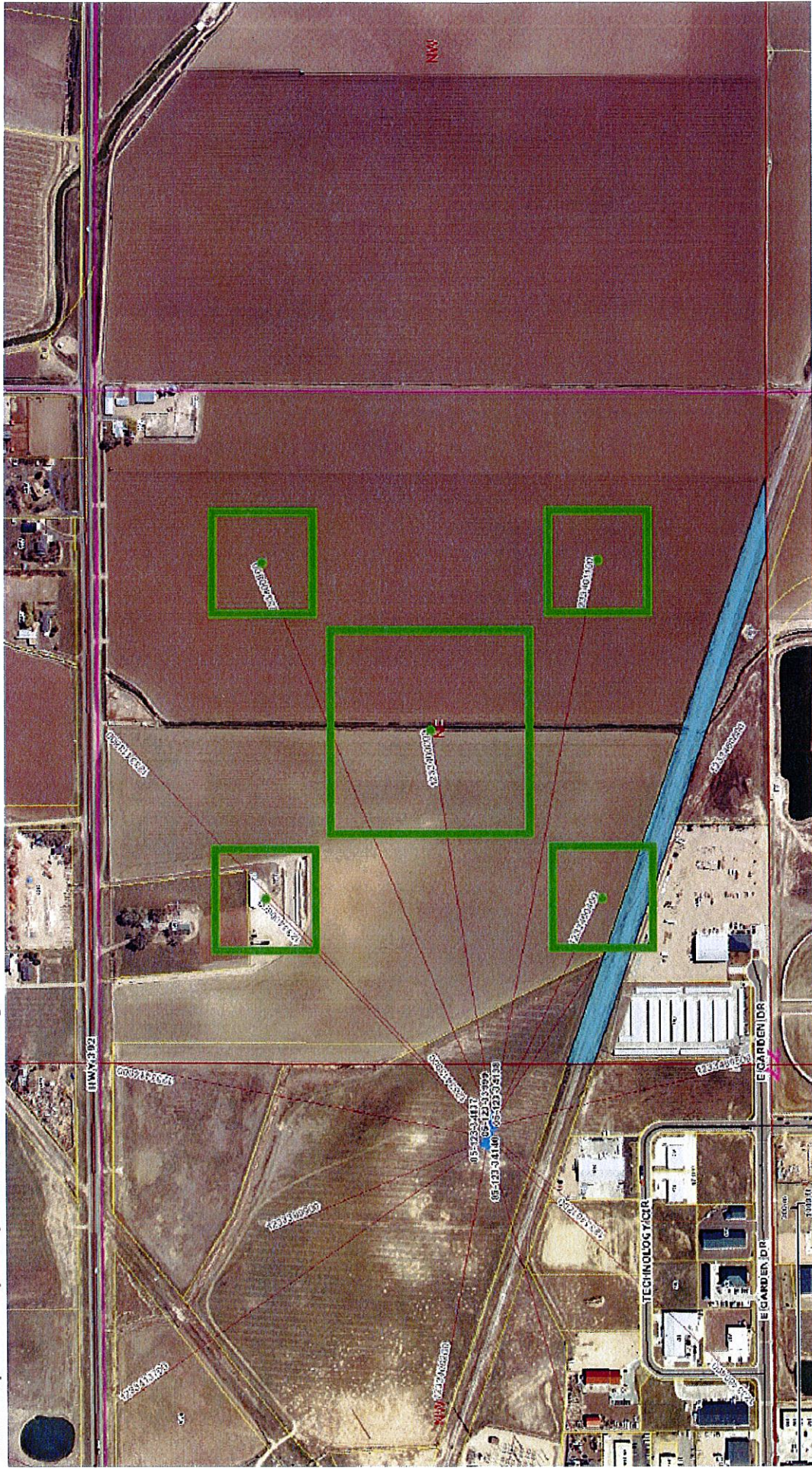


Exhibit C

COGCC Cause No. 407, Docket No. _____; RBF Minerals Involuntary Pooling, Location Map
S/2NE/4, Sec. 22, T6N, R67W, Weld County

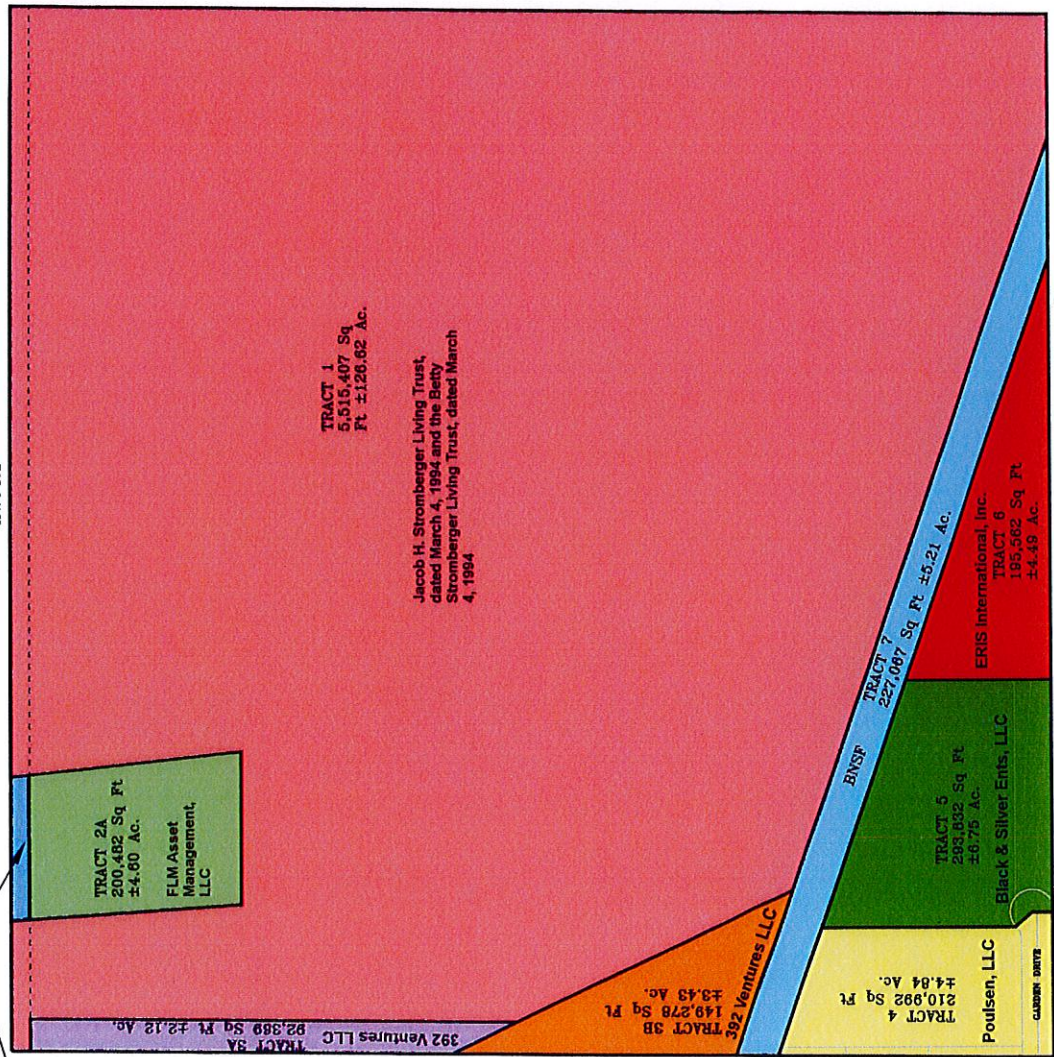


BNSF Tract



ACRE ALLOCATION PLAT NE 1/4 SEC 22 T6N R67W 6TH P.M.

HWY 392



TRACT 2B
16,477 Sq. Ft.
±0.38 Ac.
Mark A. Brinkman

TOTAL AREA NE 1/4
±158.44 Ac

Stromberger Unit

Exhibit D - Lessor Ownership Map

TRACT 1
5,515,407 Sq.
Ft. ±126.62 Ac.

Jacob H. Stromberger Living Trust,
dated March 4, 1994 and the Betty
Stromberger Living Trust, dated March
4, 1994

TRACT 2A
200,462 Sq. Ft.
±4.60 Ac.
FLM Asset
Management,
LLC

TRACT 3A
92,389 Sq. Ft. ±2.12 Ac.
392 Ventures LLC

TRACT 3B
149,278 Sq. Ft.
±3.43 Ac.
392 Ventures LLC

TRACT 4
210,992 Sq. Ft.
±4.84 Ac.
Poulsen, LLC

TRACT 5
293,832 Sq. Ft.
±6.75 Ac.
Black & Silver Entis, LLC

TRACT 6
195,562 Sq. Ft.
±4.49 Ac.
ERIS International, Inc.

TRACT 7
227,087 Sq. Ft. ±5.21 Ac.
BNSF

FRSEB
ENGINEERING
217 E 18th Street
DENVER, COLORADO
(303) 353-0100
ENGINEERING & LAND SURVEYING SERVICES

DESIGNED BY:	
CHECKED BY:	S.D.
DATE:	DEC 17, 2001
PROJECT NO.:	201-123

NO.	DATE	DESCRIPTION

EXHIBIT A
AC ALLOC NE 1/4 SEC 22
T6N, R67W, 6TH P.M.
COUNTY OF WELD
COLORADO

SCALE: 1" = 300'
SHEET 1 OF 1

