

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

IN THE MATTER OF THE APPLICATION OF	)	
MULL DRILLING COMPANY, INC. FOR AN	)	
ORDER VACATING ORDERS 214-1 AND	)	Cause No. _____
214-3 AND APPLYING RULE 318.a. TO	)	
SECTIONS 11, 13, 14, 23, AND 24,	)	Docket No. _____
TOWNSHIP 16 SOUTH, RANGE 45 WEST	)	
AND THE W½ OF SECTION 18 AND ALL OF	)	
SECTION 19, TOWNSHIP 16 SOUTH,	)	
RANGE 44 WEST, 6 <sup>TH</sup> P.M. IN THE GOLDEN	)	
SPIKE FIELD, IN CHEYENNE COUNTY,	)	
COLORADO	)	

APPLICATION

Mull Drilling Company, Inc. ("Applicant"), by and through its attorneys, Beatty & Wozniak, P.C., respectfully submits this Application to the Oil and Gas Conservation Commission of the State of Colorado (the "Commission") for an order to vacate Commission Orders 214-1 and 214-3 as applied to the Application Lands, as defined below, for the Mississippian Formation and in lieu thereof apply Commission Rule 318.a. In support of its Application, Applicant states and alleges as follows:

1. Applicant is a corporation authorized to conduct business in the State of Colorado.

2. Applicant owns leasehold interests, or has a right to drill, in the following lands:

Township 16 South, Range 45 West, 6<sup>th</sup> P.M.

Section 11: ALL

Section 13: ALL

Section 14: ALL

Section 23: ALL

Section 24: ALL

Township 16 South, Range 44 West, 6<sup>th</sup> P.M.

Section 18: W½

Section 19: ALL

Cheyenne County, Colorado ("Application Lands").

A reference map is attached hereto.

3. On May 20, 1969, the Commission issued Order No. 214-1 which, among other things, established 80 acre approximate drilling and spacing units for the production of oil from the Mississippian Formation underlying certain lands, including the Application Lands, with the permitted well locations in the center of the NE/4 and SW/4 of each quarter section, with a tolerance of 150 feet in any direction for topography, surface hazards, or irregularity. The Application Lands are subject to Order No. 214-1.

4. On June 27, 1983, the Commission issued Order No. 214-3 which removed certain lands from Order No. 214-1, but confirmed that Sections 11, 13, 14, 23, and 24, Township 16 South, Range 45 West and Sections 18 and 19 Township 16 South, Range 44 West remained subject to the provisions of Order No. 214-1. Sections 11, 13, 14, 23, and 24, Township 16 South, Range 45 West, 6<sup>th</sup> P.M. and Sections 18 and 19 Township 16 South, Range 44 West, 6<sup>th</sup> P.M. are subject to Order No. 213-3.

5. Based on engineering, geophysical, and leasehold ownership reasons, Applicant requests that the Commission vacate the existing 80-acre drilling and spacing units established by Orders 214-1 and 214-3 on the the Application Lands for the development of oil from the Mississippian Formation.

6. Applicant further requests that the Commission apply the statewide setbacks set forth in Commission Rule 318.a. to the Application Lands. Rule 318.a. of the Rules and Regulations of the Oil and Gas Conservation Commission requires that wells drilled in excess of 2,500 feet in depth be located not less than 600 feet from any lease line, and located not less than 1,200 feet from any other producible or drilling oil or gas well when drilling to the same common source of supply, unless authorized by order of the Commission upon hearing.

7. Applicant asserts that applying the statewide setbacks set forth in Commission Rule 318.a. to the Application Lands is in the best interests of conservation, including accurate production accounting and efficient operation of the wells, is necessary to prevent waste, protect correlative rights and to assure the greatest recovery of gas and associated hydrocarbons from the Mississippian formation all in accordance with the Colorado statutes and the Commission rules.

8. That the names and addresses of the interested parties according to the information and belief of the Applicant are set forth in Exhibit A attached hereto and made a part hereof, and the undersigned certifies that copies of this Application shall be served on each interested party within the next seven days as required by 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. Vacating the existing 80 acre drilling and spacing units on the Application Lands for the Mississippian Formation as established in Orders 214-1 and 214-1.

B. Apply the statewide setbacks set forth in Commission Rule 318.a. to the Application Lands.

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

DATED this 17<sup>th</sup> day of September, 2012.

Respectfully submitted:

**MULL DRILLING COMPANY, INC.**

By: 

Jamie L. Jost  
Elizabeth Y. Gallaway  
Beatty & Wozniak, P.C.  
Attorneys for Applicant  
216 16th Street, Suite 1100  
Denver, Colorado 80202  
(303) 407-4499

Applicant's Address:

Mull Drilling Company, Inc.  
ATTN: Mark Shreve  
1700 Waterfront Pkwy, Bldg 1200  
Wichita, KS 67206

VERIFICATION

STATE OF KANSAS )  
COUNTY OF Sedgwick ) ss.

Mark Shreve, of lawful age, being first duly sworn upon oath, deposes and says that he President/COO of Mull Drilling Company, Inc. and that he has read the foregoing Application and that the matters therein contained are true to the best of his knowledge, information and belief.

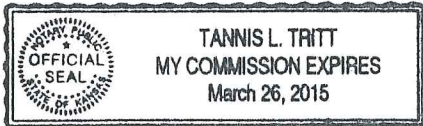


Mark Shreve  
Mull Drilling Company, Inc.

Subscribed and sworn to before this 14<sup>th</sup> day of September, 2012.

Witness my hand and official seal.

[SEAL]



My commission expires: 3.26.2015

Tannis L. Tritt

EXHIBIT A

INTERESTED PARTIES

Mull Drilling Company, Inc.  
1700 Waterfront Pkwy, Bldg. 1200  
Wichita, KS 67206-6637

Anadarko Land Corporation  
Attn: John S. Jordan  
1099 18<sup>th</sup> Street, Suite 1800  
Denver, CO 80202-1918

Michael Warren  
Energy Liaison  
Colorado Parks and Wildlife  
Northwest Regional Office  
711 Independent Avenue  
Grand Junction, CO 81505

Kent Kuster  
Oil & Gas Consultant Coordinator  
Colorado Department of Public Health and Environment  
4300 Cherry Creek Drive South  
Denver, CO 80246-1500

Jerry Allen  
Cheyenne County  
P.O. Box 567  
Cheyenne Wells, CO 80810

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COLORADO )

Cause No. \_\_\_\_\_

Docket No. \_\_\_\_\_

AFFIDAVIT OF MAILING

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

Jamie L. Jost, of lawful age, and being first duly sworn upon her oath, states and declares:

That she is an attorney for Mull Drilling Company, Inc., that on or before September 24, 2012, she caused a copy of the attached Application to be deposited in the United States Mail, postage prepaid, addressed to the parties listed on Exhibit A to the Application.

*Jamie L. Jost*

\_\_\_\_\_  
Jamie L. Jost

Subscribed and sworn to before me September 17, 2012.

Witness my hand and official seal.

My commission expires: October 22, 2015.



My Comm. Expires October 22, 2015

*Carolyn P. Boulette*

\_\_\_\_\_  
Notary Public