

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

IN THE MATTER OF THE APPLICATION OF) VECTA OIL & GAS, LTD. FOR AN ORDER) ESTABLISHING AN APPROXIMATELY 640) 160 -ACRE DRILLING AND SPACING UNIT) IN AND FOR PRE-PERMIAN FORMATIONS) IN AN UNNAMED FIELD IN CHEYENNE) COUNTY, COLORADO AND FOR THE) POOLING OF NONCONSENTING) INTERESTS)	CAUSE NO. _____ DOCKET NO. _____ COGCC INTAKE NO. 5
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VERIFIED AMENDED APPLICATION

Vecta Oil & Gas, Ltd. (the "Applicant"), through its attorneys, Bjork Lindley Little PC, respectfully submits this **AMENDED** application to the Oil and Gas Conservation Commission of the State of Colorado (the "Commission" or "COGCC") for an order: (a) establishing an approximately ~~640~~**160**-acre drilling and spacing unit for the drilling of ~~up to 7 new~~ **A** vertical wells to be completed in Pre-Permian formations underlying certain lands in Cheyenne County, Colorado; and (b) pooling a ~~THE 160-acre unit located in the center of the proposed drilling and~~ spacing unit for production from the proposed Snowmass 32-32 vertical gas well pursuant to the Oil and Gas Conservation Act and COGCC Rules. **NEW TEXT IN THIS AMENDED APPLICATION IS SHOWN IN BOLD CAPITALIZED LETTERS. DELETED TEXT IS SHOWN WITH STRIKE-THROUGHS.**

In support of this **AMENDED** application, the Applicant states as follows:

1. The Applicant owns leasehold interests authorizing it to drill and operate wells in all Pre-Permian formations in the following lands located in Cheyenne County, Colorado:

Township 12 South, Range 47 West, 6th P.M., Cheyenne County, Colorado
Section 32: All- ~~SW~~¹/₄~~NE~~¹/₄, ~~SE~~¹/₄~~NW~~¹/₄, ~~NE~~¹/₄~~SW~~¹/₄, ~~NW~~¹/₄~~SE~~¹/₄

(the "Application Lands"). For purposes of this **AMENDED** application, "Pre-Permian formations" include ~~the these~~ formations deeper than 4200 feet beneath the Application Lands and include the Shawnee, Lansing, Marmaton, Cherokee, Atoka, Morrow, Morrow-Keyes, St. Louis, Spergen and Osage formations.

2. A reference map identifying and depicting the Application Lands is attached as Exhibit A. Only one well, the Snowmass 44-32, has been drilled in the SE¹/₄SE¹/₄ of the Application Lands. It is plugged and abandoned. The Red Cloud 44-5 in Section 5 immediately south of the Application Lands was recently plugged and abandoned after producing from the Marmaton formation, a Pre-Permian formation.

3. The Application Lands are unspaced with respect to the Pre-Permian formations and are presently subject to COGCC Rule 318.a. This Rule provides that wells greater than 2,500 feet in depth may be drilled no closer than 600 feet to a lease boundary and no closer than 1200 feet to another well producing from the same formation.

4. No other orders have been issued by the COGCC for the Application Lands. The Application Lands are not located in or near a named oil and gas field. Nor are they located in or near any city, town or high density area.

Jurisdiction and Parties

5. The Commission has jurisdiction over this matter pursuant to § 34-60-116, C.R.S. and other law.

6. The Applicant is a Texas limited partnership. The Applicant is an oil and gas operator in good standing with the Commission and is otherwise authorized to do business in Colorado. The Applicant has standing pursuant to Rule 503.b. to apply for the requested relief.

7. The Applicant presently owns leasehold interests in one hundred percent of the minerals in the E½ of Section 32 of the Application Lands and approximately ninety-five percent of the minerals in the W½ of Section 32 of the Application Lands.

8. The owners of approximately five percent of the mineral interest in the W½ of Section 32 of the Application Lands cannot be presently located and there is no evidence of record indicating their mineral interests have been leased to others.

9. Exhibit B is a list of all interested parties as defined in COGCC Rules. Exhibit B reflects the best information now known to the Applicant about each of these interested parties and includes the last known address reflected in county or other records for all owners of unleased mineral interests within the Application Lands.

Drilling and Spacing Unit Request

10. The Applicant requests the Commission establish a single approximately ~~640~~ **160**-acre drilling and spacing unit consisting of the Application Lands within which, at the option of the Applicant or other operator, ~~up to seven new~~ **ONE** vertical wells may be drilled with the treated intervals of the permitted wellbores to be no closer than 600 feet to the boundaries of the proposed drilling and spacing unit without any required setback from interior lease lines.

11. The Pre-Permian formations beneath the Application Lands are thought to contain common accumulations of oil, gas or associated hydrocarbons which may be economically produced from ~~up to seven~~ **A** vertical wells producing from favorable bottom hole locations. Available seismic and other data suggests variability in these productive formations and that, once one formation has finished producing, ~~these~~ **A** vertical wells may be able to be recompleted in other productive formations. As a result, the operator should be given flexibility using available data to select the best possible well locations within the proposed drilling and spacing unit, including ~~these~~ **A** locations which might be within 600 feet of an interior lease line within the proposed drilling and spacing unit.

12. The Applicant has filed an application for a permit to drill the Snowmass 32-32 vertical gas well very near the center of the proposed drilling and spacing unit. The Snowmass 32-32 is proposed to produce from the Morrow and Spergen formations and will be located approximately 255 feet from an interior lease line to the west which bisects the Application Lands. ~~Other of the up to seven new vertical wells the Applicant asks the Commission to authorize in the Application Lands also may be drilled within 600 feet of interior lease lines.~~

13. Entry of the relief proposed in this application will promote the efficient and effective drainage of oil, gas and associated hydrocarbons from the Application Lands, prevent waste and protect correlative rights in a manner consistent with public health, safety and welfare, the protection of the environment and wildlife resources and the other requirements of law.

Statutory Pooling Request—Snowmass 32-32 Well

14. The Applicant also asks that the Commission order the statutory pooling of all interests not voluntarily pooled for the development of the Snowmass 32-32 vertical gas well presently proposed to be located near the center of the proposed drilling and spacing unit. As noted above, it is anticipated that the Snowmass 32-32 vertical gas well will **INITIALLY** produce from the Morrow and Spergen formations and be located approximately 255 feet from an interior lease line to the west which bisects the Application Lands. It is expected that the Snowmass 32-32 vertical gas well will drain an area less than 160 acres in size, so the acreage to be pooled should consist of the 160 acres included in ~~the following quarter-quarter sections of the Application Lands:~~ the SW $\frac{1}{4}$ NE $\frac{1}{4}$, the SE $\frac{1}{4}$ NW $\frac{1}{4}$, the NE $\frac{1}{4}$ SW $\frac{1}{4}$ and the NW $\frac{1}{4}$ SE $\frac{1}{4}$ (the "Lands to be Pooled").

15. The Applicant has made reasonable efforts to locate and reach agreement with all known working interest and mineral interest owners in the Lands to be Pooled (**THE APPLICATION LANDS**) as required in § 34-60-116, C.R.S. and COGCC Rule 530. The Applicant now anticipates that it may not be able to locate and reach agreement with all owners because some of the owners of record of mineral interests have not been located to date through reasonable efforts consistent with standards and practices within the industry.

16. Offers to lease or other applicable offers have been or shall be made to all known and located interest owners in the Lands to be Pooled (**THE APPLICATION LANDS**) not already leased or pooled at least thirty days prior to the hearing on this Application as provided in § 34-60-116, C.R.S. and COGCC Rule 530.

17. The order pooling all non-consenting mineral or working interest owners in the Lands to be Pooled (**THE APPLICATION LANDS**) should be made retroactive to the earliest date costs were incurred in connection with the Snowmass 32-32 vertical gas well as provided in § 34-60-116, C.R.S.

18. In order to prevent waste, protect correlative rights and promote the efficient and effective drainage of oil, gas and associated hydrocarbons within the Lands to be Pooled (**THE APPLICATION LANDS**), the Commission should order that all unleased and non-consenting owners of interests to participate in the production from the proposed Snowmass 32-32 vertical gas well be pooled in accordance with § 34-60-116, C.R.S. and COGCC Rule 530.

Conclusion and Request for Relief

19. The Applicant certifies that copies of this **AMENDED** application shall be served on each interested party listed in Exhibit B within seven days of the filing of this **AMENDED** application as provided in Commission Rule 503. An affidavit and certificate of service attesting to the mailing of the application to those persons entitled to notice also shall be filed with the Commission as required by COGCC Rules.

20. Applicant respectfully requests that this matter be set for hearing in July 2013, that notice be given as required by law, and that upon such hearing the Commission enter its order consistent with Applicant's requests and proposals as set forth above.

Respectfully submitted on ~~May 30~~ **JUNE 27**, 2013.

BJORK LINDLEY LITTLE PC

By: 
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Bjork Lindley Little PC
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Applicant's Contact Information:

Vecta Oil & Gas, Ltd.
575 Union Blvd, Suite 208
Lakewood, CO 80228

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VERIFICATION

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

I, Mathew D. Goolsby, am employed as VP of Operations for the Applicant, Vecta Oil & Gas, Ltd. I have read the foregoing Verified Application, have personal knowledge of the facts asserted in it and hereby swear upon oath that the matters discussed in the Verified **AMENDED** Application are true and correct to the best of my knowledge, information and belief.

Name:

Mathew D. Goolsby
Mathew D. Goolsby

Address:

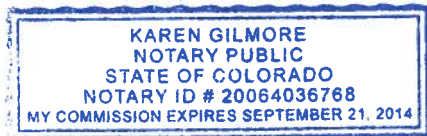
575 Union Blvd, Suite 208
Lakewood, CO 80228

Subscribed and sworn to before me this ~~29th~~-27TH day of ~~May~~-JUNE, 2013.

Witness my hand and official seal.

My commission expires: 9/21/2014.

[SEAL]



Karen Gilmore
Notary Public

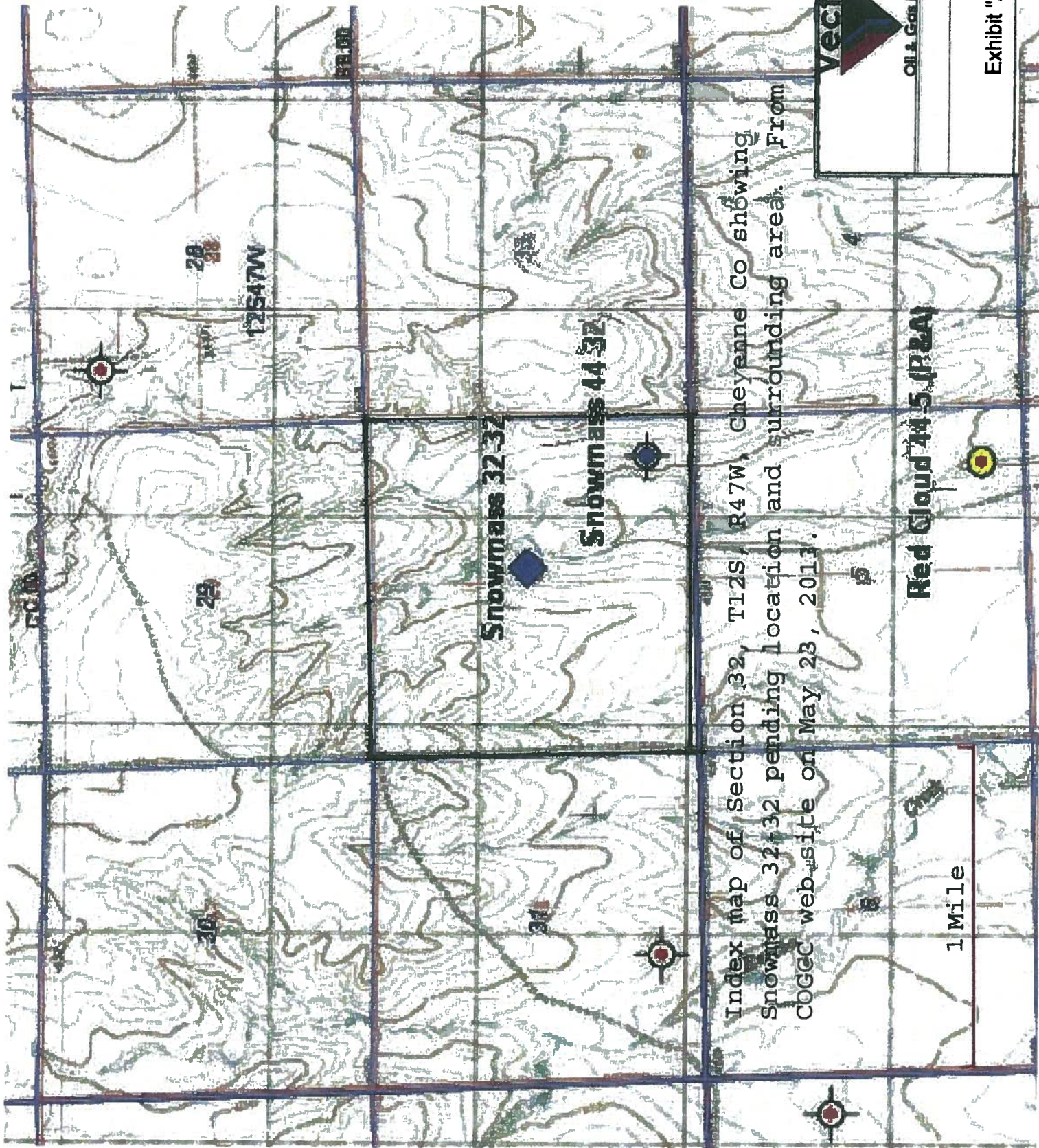


Exhibit B (Amended)

Amended List of Persons Entitled to Receive
Notice of Application (as of June 27, 2013)

Applicant

Vecta Oil & Gas Ltd.
575 Union Boulevard, Suite 208
Lakewood, Colorado 80228

Applicant's Attorney

David R. Little
Bjork Lindley Little PC
1600 Stout Street, Suite 1400
Denver, CO 80202

Governments

Ambie Cullens
Cheyenne County LGD
P.O. Box 36
Cheyenne Wells, CO 80810

Interested Other Persons

Westphal Energy LLC
53 South 600 East
Salt Lake City, UT 84102

Westphal Energy LLC
53 South 600 East
Salt Lake City, Utah 84102

Lyle John Campbell II
3700 Piermont Drive NE
Albuquerque, NM 87111

Lorna J. Piper
18839 Texas Highway 11 E
Winnsboro, TX 75494

Lawrence I. French
5674 SE David Road
Prineville, OR 97754

Richard E. French
2595 Timber Owl Road
Sedona, AZ 86336

The Runyan Trust
917 Nottingham Court
Bentonville, AR 72019

Kay Marie Ziegler Black
7719 N. Fox Point Drive
Spokane, WA 99208

Montgomery Trust dated January 2, 1981
PO Box 1025
Boise City, OK 73933

Wacker Mineral Trust
PO Box 1891
Guymon, OK 73942

Carmen Joseph Vigil
99 Hickory Avenue
Boulder, CO 80303

Winifred Jeffus Family Trust No. 1
PO Box 979
Guymon, OK 73942

M. Maxine Johnson Revocable Living Trust
PO Box 1727
Clinton, OK 73601

James Hammontree
16705 Redbud Dr.
Catoosa, OK 74015

Miller Oil & Gas Partnership
9234 Queensboro Court
Brentwood, TN 37027

RW Oil & Gas Partnership
9201 Heritage Drive
Brentwood, TN 37027

Edward Miller Garrett
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Marione Fowler
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Steven Ted Hood
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Bellaire, TX 77401

Francis Lee Meyer
No known address

Jessie Lee Johnson
No known address