

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

IN THE MATTER OF AN APPLICATION BY BILL)
BARRETT CORPORATION FOR AN ORDER POOLING) CAUSE NOS. 407 & 535
ALL INTERESTS IN THE 640-ACRE DRILLING AND)
SPACING UNITS ESTABLISHED FOR SECTION 21,) DOCKET NO. *To be assigned*
TOWNSHIP 5 NORTH, RANGE 61 WEST, 6TH P.M.,)
FOR THE DEVELOPMENT/OPERATION OF THE)
CODELL AND NIOBRARA FORMATIONS,)
WATTENBERG FIELD, WELD COUNTY, COLORADO)

APPLICATION

Bill Barrett Corporation (“BBC” or “Applicant”), by and through its attorneys, Burleson LLP, respectfully submits this Application to the Oil and Gas Conservation Commission of the State of Colorado (the “Commission”) for an order: (1) pooling all interests in the approximate 640-acre drilling and spacing unit established for Section 21, Township 5 North, Range 61 West, 6th P.M., for the development and operation of the Niobrara Formation; and (2) pooling all interests in the approximate 640-acre drilling and spacing unit to be established for said Section 21, for the development and operation of the Codell Formation. In support of its Application, Applicant states and alleges as follows:

1. Applicant is a corporation duly authorized to conduct business in the State of Colorado, and has registered as an operator with the Commission.
2. Applicant owns majority leasehold interests in the below-listed lands:

Township 5 North, Range 61 West, 6th P.M.
Section 21: All

These lands are hereinafter referred to as the “Application Lands.” A map depicting the acreage comprising the Application Lands is attached hereto and marked as Exhibit A.

3. The Application Lands are unspaced with respect to the Codell Formation, which are common sources of supply underlying said lands and, as such, Rule 318.a. applies to said lands and under said rule, wells greater than 2,500 feet in depth shall be located not less than 600 feet from any lease line, and shall not be located less than 1,200 feet from any other producible or drilling well when drilling to the same common source of supply, unless authorized by order of the Commission upon hearing.

4. On April 27, 1998, the Commission adopted Rule 318A. 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 Cretaceous Age Formations from the base of the Dakota Formation to the surface. Rule 318A. supersedes all prior Commission drilling and spacing orders affecting well location and density requirements of Greater Wattenberg Area wells. On December 5, 2005, Rule 318A. was amended, among other things, to allow interior infill and boundary wells to be drilled and wellbore spacing units to be established. On August 8, 2011, Rule 318A. was again amended, among other things, to address drilling of horizontal

wells. The Application Lands are subject to certain portions of this Rule for the Codell and Niobrara Formation.

5. On or about February 22, 2011, the Commission entered Order No. 535-4 (subject to pending corrections) which, among other things, established 640-acre drilling and spacing units for certain lands, including the Application Lands, and approved one horizontal well for each unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation, with the surface location for any permitted well to be located anywhere on the surface, consistent with Rule 318A., and the treated interval of the wellbore to be no closer than 460 feet from the boundaries of the unit, without exception being granted by the Director.

Pooling of all interests for the development/operation of the Niobrara Formation

6. Applicant has filed a separate application with the Commission, presently pending under Docket No. 1305-AW-19, for an order to authorize the drilling of up to seven (7) additional horizontal wells, for a total of up to eight (8) wells, within the approximate 640-acre drilling and spacing unit established for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

7. This Application does not seek to alter or modify any distribution of proceeds from any existing wells wherein the Niobrara Formation has been drilled, completed and placed on production within the Application Lands. On or about December 28, 2006, Bonanza Creek Energy Operating Co, LLC, placed the Pronghorn #31-21 Well, API #05-123-29990, on production, having drilled and completed the Well in the Niobrara Formation on a leasehold basis.

8. Acting pursuant to the relevant provisions of §34-60-116(6) & (7), C.R.S., and Rule 530., Applicant seeks an order pooling all interests in the Application Lands for the initial permitted horizontal Niobrara Formation well drilled within the Application Lands and any subsequent horizontal wells authorized by the Commission, for the development and operation of the Niobrara Formation.

9. Applicant requests that the pooling order entered as a result of this Application be made effective as of the date of this Application, or the date that the costs specified in §34-60-116(7)(b)(II), C.R.S., are first incurred for the drilling of the initial permitted horizontal Niobrara well on the Application Lands, whichever is earlier.

Pooling of all interests for the development/operation of the Codell Formation

10. Applicant has filed a contemporaneous application with the Commission to establish an approximate 640-acre drilling and spacing unit for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Codell Formation.

11. Acting pursuant to the relevant provisions of §34-60-116(6) & (7), C.R.S., and Rule 530., Applicant seeks an order pooling all interests in the Application Lands for the initial permitted horizontal Codell Formation well drilled within the Application Lands and any subsequent horizontal wells authorized by the Commission, for the development and operation of the Codell Formation.

12. Applicant requests that the pooling order entered as a result of this Application be made effective as of the date of this Application, or the date that the costs specified in §34-60-116(7)(b)(II), C.R.S., are first incurred for the drilling of the initial permitted horizontal Codell well on the Application Lands, whichever is earlier.

* * *

13. The granting of this Application is in accord with the Oil and Gas Conservation Act, found at §34-60-101, *et seq.*, C.R.S., and the Commission rules.

14. That the names and addresses of the interested parties (persons who own any interest in the mineral estate underlying Section 21, Township 5 North, Range 61 West, 6th P.M., except overriding royalty interest owners) and an associated certificate of service shall be submitted within 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. Pooling all interests in the Application Lands for the initial permitted horizontal Niobrara Formation well drilled within the Application Lands and any subsequent horizontal wells authorized by the Commission, for the development and operation of the Niobrara Formation, with the pooling order made effective as of the date of this Application, or the date that the costs specified in §34-60-116(7)(b)(II), C.R.S., are first incurred for the drilling of a Niobrara Formation well on the Application Lands, whichever is earlier.

B. Maintaining the distribution of proceeds from the Bonanza Creek Energy Operating Co, LLC, for the Pronghorn #31-21 Well, API #05-123-29990, which was placed on production from the Niobrara Formation on a leasehold basis.

C. Pooling all interests in the Application Lands for the initial permitted horizontal Codell Formation well drilled within the Application Lands and any subsequent horizontal wells authorized by the Commission, for the development and operation of the Codell Formation, with the pooling order made effective as of the date of this Application, or the date that the costs specified in §34-60-116(7)(b)(II), C.R.S., are first incurred for the drilling of a Codell Formation well on the Application Lands, whichever is earlier.

D. Providing that the interests of any owners, with whom the Applicant has been unable to secure a lease or other agreement to participate in the drilling of an authorized well proposed for the Niobrara or Codell Formation, are pooled by operation of statute, pursuant to §34-60-116(7), C.R.S., and made subject to the cost recovery provisions thereof.

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

DATED this 30th day of May, 2013.

Respectfully submitted,

BILL BARRETT CORPORATION

By:

Robert A. Willis (Colorado Bar No. 26308)

Burleson LLP

Wells Fargo Center

1700 Lincoln Street, Suite 1300

Denver, CO 80203

(303) 801-3200

Applicant's Address:

Bill Barrett Corporation

Hal Writer, Senior Landman

1099 18th Street, Suite 2300

Denver, CO 80202

VERIFICATION

STATE OF COLORADO

)

) ss.

CITY & COUNTY OF DENVER

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Hal Writer, Senior Landman for Bill Barrett Corporation, upon oath deposes and says that he has read the foregoing Application and that the statements contained therein are true to the best of his knowledge, information and belief.

BILL BARRETT CORPORATION

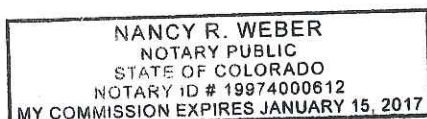
[illegible]

Hal Writer

Subscribed and sworn to before me this 30 day of May, 2013, by Hal Writer,
Landman for Bill Barrett Corporation.

Witness my hand and official seal.

My commission expires: 1-15-2017



Dorothy Weber
Notary Public

Application Lands - 

Sec. 21, T5N, R61W
Weld County

Exhibit A
Application Map

13	18	17	16	15	14	13	18	17
24	19	20	<div>Pronghorn #31-21 21</div>	22	23	24	19	20
25	30	29	28 T5N	27 R61W	26	25	30	29
36	31	32	33	34	35	36	31	32
1	6	5	4	3	2	1	6	5
12	7	8	9 T4N	10 R61W	11	12	7	8
13	18	17	16	15	14	13	18	17