

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

IN THE MATTER OF THE APPLICATION OF
CONOCOPHILLIPS COMPANY FOR AN
ORDER TO ESTABLISH AN EXPLORATORY
1280-ACRE DRILLING AND SPACING UNIT
AND ESTABLISHING WELL LOCATION
RULES FOR THE NIOBRARA FORMATION IN
SECTIONS 26 AND 27, TOWNSHIP 4 SOUTH,
RANGE 65 WEST, 6TH P.M., AN UNNAMED
FIELD, ARAPAHOE COUNTY, COLORADO

Cause No. 535

Docket No.

APPLICATION

ConocoPhillips Company ("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 establish an exploratory 1280-acre drilling and spacing unit and authorizing up to two (2) horizontal wells in order to efficiently and economically recover the oil, gas and associated hydrocarbons within said 1280-acre drilling and spacing unit from the Niobrara Formation underlying the below-described lands. In support of its Application, Applicant states and alleges as follows:

1. Applicant is a Delaware corporation duly organized and authorized to conduct business in the State of Colorado.

2. Applicant owns leasehold interests or holds the right to operate on the following lands (hereafter "Application Lands"):

Township 4 South, Range 65 West, 6th P.M.

Section 26: All

Section 27: All

1,280 acres, more or less, Arapahoe County, Colorado.

A reference map of the Application Lands is attached hereto.

3. Section 26 of the Application Lands is subject to Order No. 535-97 which established a 640 acre exploratory drilling and spacing unit with up to two (2) horizontal wells allowed within the unit. Applicant requests that Order No. 535-97 be vacated only as to Section 26 of the Application Lands.

4. Section 27 of the Application Lands is subject to Order No. 535-100, which allows for the lateral of a given horizontal well to enter the Niobrara Formation no closer than 300 feet from the section line; allowed for the treated interval within the Niobrara Formation to be located not closer than 460 feet from the section line; and allowed for the distance between the treated interval of Niobrara wells within

the Application Lands to be not less than 920 feet; for production of oil, gas, and other hydrocarbons from the Niobrara Formation. Applicant requests that Order No. 535-100 be vacated only as to Section 27 of the Application Lands.

5. The records of the Commission reflect that no wells have been drilled, and no wells are currently producing nor have they previously produced in the Application Lands.

6. To promote efficient drainage within the Niobrara Formation of the Application Lands, to protect correlative rights and to avoid waste, the Commission should establish an exploratory 1280-acre drilling and spacing unit for the Application Lands.

7. That the above-proposed drilling and spacing unit will allow efficient drainage of the Niobrara Formation; will prevent waste; will not adversely affect correlative rights and will assure the greatest ultimate recovery of gas and associated hydrocarbon substances from the reservoirs. The unit of the size and shape specified above is not smaller than the maximum area that can be economically and efficiently drained by the proposed wells in the unit.

8. That the Applicant is requesting to drill and complete up to two (2) horizontal wells in order to efficiently and economically recover the oil, gas and associated hydrocarbons within the exploratory 1280-acre drilling and spacing unit comprised of the Application Lands and that there will be no adverse effect on correlative rights of adjacent owners.

9. The Applicant maintains that there will be no more than two (2) well pads in the unit, unless an exception is granted by the Director.

10. The treated interval of each proposed horizontal well shall be no closer than 460 feet from the boundaries of the unit (regardless of the lease lines within the unit) and all horizontal wells shall be no closer than 960 feet from the treated interval of another well producing from the same source of supply within the unit, unless an exception is granted by the Director.

11. The undersigned certifies that copies of this Application will be served on each interested party within seven (7) days of the filing hereof, as required by Rule 503.e.

WHEREFORE, Applicant respectfully requests that this matter be set for hearing at the next available opportunity, that notice be given as required by law, and that upon such hearing this Commission enter its order:

A. Vacating Order No. 535-97 only as it applies to Section 26 of the Application Lands.

B. Vacating Order No. 535-100 only as it applies to Section 27 of the Application Lands.

C. Establishing an exploratory 1280-acre drilling and spacing unit for the Application Lands and allowing up to two (2) horizontal wells in the unit in order to efficiently and economically develop and recover the oil, gas and associated hydrocarbons from of the Niobrara Formation in the unit.

D. Providing that the treated interval any horizontal well shall be no closer than 460 feet from the boundaries of the unit and not less than 960 feet from the treated interval of another well within the unit and authorizing two (2) well pads in the unit, unless an exception is granted by the Director.

E. Finding that an exploratory 1280-acre drilling and spacing unit for the development of the Niobrara Formation on the Application Lands will prevent waste, protect correlative rights, and maximize the efficient and economic production of the Niobrara Formation on the Application Lands.

F. For such other findings and orders as the Commission may deem proper or advisable in this matter.

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

DATED this 19 day of July, 2013.

Respectfully submitted:

ConocoPhillips Company

By:



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

Applicant's Address:

ConocoPhillips Company
600 N. Dairy Ashford Road
Houston, TX 77079-1069

VERIFICATION

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

Julia R. Browning, Senior Landman - Rockies with ConocoPhillips Company, upon oath deposes and says that she has read the foregoing Application and that the statements contained therein are true to the best of her knowledge, information and belief.

CONOCOPHILLIPS COMPANY

Julia R. Browning
Senior Landman - Rockies

Subscribed and sworn to before me this 18 day of July, 2013, by Julia R. Browning, Senior Landman – Rockies of ConocoPhillips Company.

Witness my hand and official seal.

My commission expires: 10-04-13



Notary Public

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AFFIDAVIT OF MAILING

STATE OF COLORADO

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)ss.

COUNTY OF DENVER

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James P. Parrot of lawful age, and being first duly sworn upon his oath, states and declares:

That he is the attorney for ConocoPhillips Company, that on or before July 25, 2013, he 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 attached hereto.

James P. Parrot

Subscribed and sworn to before me this 18 day of July, 2013.

Witness my hand and official seal.

My commission expires: 3/31/15

Notary Public

MARY GRACE T. GO-HOVELAND
Notary Public
State of Colorado

EXHIBIT A
INTERESTED PARTIES

Cottonwood Creek Investors LLC
4915 S. Gaylord Street
Englewood, CO 80113

Henry Grimm, Jr.
647 Laredo Street
Aurora, CO 80011

Jenny L. Bell
4050 Weinheimer Road
Fredericksburg, TX 78624

Tabitha Ann Bailey
790 Javelina Drive
Wickenburg, AZ 85390

John W. Segelke
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Denver, CO 80222

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Denver, CO 80222

Karen J. Segelke a/k/a Karen S. Hummel
1720 S. Bellaire Street, Suite 300
Denver, CO 80222

Billy G. Michel and Imogene Michel, Trustees of
the Michel Living Trust
40200 E. Alameda Avenue
Bennett, CO 80102

Robert C. Roeder
59 N. Watkins Road
Watkins, CO 80137

Wesley A. Segelke
1720 S. Bellaire Street, Suite 300
Denver, CO 80222

Joseph E. Delaney and Lavera M. Delaney, as
joint tenants
29801 E. Yale Avenue
Watkins, CO 80137

City of Aurora
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Aurora, CO 80012

ConocoPhillips Company
600 N. Dairy Ashford Road
Houston, TX 77079-1069

COP BROG I LLC
600 North Dairy Ashford Drive
Houston, TX 77079

Chesapeake Exploration LLC
P.O. Box 18496
Oklahoma City, OK 73154

OOGC America, Inc. c/o CNOOC International
Limited
11700 Katy Freeway, Suite 280
Houston, TX 77079

Diane Kocis
Arapahoe County Public Works & Development
6924 South Lima Street
Centennial, CO 80112

Tom Schreiner
Colorado Parks and Wildlife
6060 Broadway
Denver, CO 80526

Ken Kuster
Colorado Department of State Health and
Environment
4300 Cherry Creek Drive South
Denver, CO 80246-1530

Reference Map
ConocoPhillips Company

Sections 26 and 27, Township 4 South, Range 65 West, 6th P.M.

