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 30,)	DOCKET NO. To be assigned
TOWNSHIP 6 NORTH, RANGE 61 WEST, 6 TH 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 to be established for Section 30, Township 6 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 30, 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 6 North, Range 61 West, 6th P.M. Section 30: 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 <u>Exhibit A</u>.

- 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 this Rule for the Codell Formation.
- 5. On or about February 22, 2011, the Commission entered Order No. 535-4 (corrected on April 4, 2013) 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 treated interval of the permitted wellbore to be located no closer than 460 feet from the boundaries of the unit.
- 6. On or about January 23, 2012, the Commission entered Order No. 407-531 which, among other things, approved a well location exception from the Rule 318A. Greater Wattenberg Area drilling windows for the Greasewood #15-30H Well, to be drilled from a surface location of 501 feet FSL and 2,639 feet FWL in the SE½ SW½ of Section 30, Township 6 North, Range 61 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

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

- 7. Applicant has filed a contemporaneous application with the Commission seeking 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.
- 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 (at present, BBC has plans to drill and complete the Greasewood #15-30H Well, API #05-123-35001, within the Application Lands), 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.

<u>Pooling of all interests for the development/operation of the Codell Formation</u>

- 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.

2

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 of the tracts to be pooled, except owners of overriding royalty interest) are attached hereto under <u>Exhibit B</u>. The Applicant shall submit a certificate of service for the Application within the 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. 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.
- C. 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.
- D. For such other findings and orders as the Commission may deem proper or advisable in the premises.

DATED this 17th day of July, 2013.

Respectfully submitted,

By: Robert A. Willis (Colorado Bar No. 26308)

Burleson LLP Wells Fargo Center

1700 Lincoln Street, Suite 1300

BILL BARRETT CORPORATION

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)

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

Hal Writer

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

Witness my hand and official seal.

My commission expires: 1-15-2017

NANCY R. WEBER

NOTARY PUBLIC

STATE OF COLORADO

NOTARY ID # 19974000612

MY COMMISSION EXPIRES JANUARY 15, 2017

Notary Public

EXHIBIT B

INTERESTED PARTIES

The names and addresses of the interested parties (persons who own any interest in the mineral estate underlying Section 30, Township 6 North, Range 61 West, 6^{th} P.M., except overriding royalty interest owners) according to the information and belief of the Applicant are set forth in this Exhibit B.

Bill Barrett Corporation 1099 18th Street, Suite 2300 Denver, CO 80202

McGhee Investment Company P.O. Box 3306 Centennial, CO 80161

Debbie Edstrom P.O. Box 1777 Bayfield, CO 81122

Peter Justesen 3697 Co Rd 510 Ignacio, CO 81137

Jenny Schwarck 6710 Deer Lane Anacortes, WA 98221

L & L Capital, Ltd 800 US Highway 36 Byers, CO 80103

Jeanne Boggs 2527 Jackson St. Riverside, CA 92503

Prima Exploration, Inc. 100 Fillmore St. #450 Denver, CO 80202

Devona Carline Wear RR 1 Box 39 Luray, MO 63453 Robert A. Willis Burleson LLP 1700 Lincoln St., Suite 1300 Denver, CO 80203

Continental Resources, Inc. P.O. Box 269007 Oklahoma City, OK 73126

Becky Justesen 3699 Co. Rd. 510 Ignacio, CO 81137

Melissa Branam 3791 Homestead Drive Mead, CO 80542

Keith D. Allison 3750 N. Cascade Avenue #9 Colorado Springs, CO 80907

Judy Tournillon 2530 E. Bijou St. Colorado Springs, CO 80909

Devona Carline Wear 5407 S. Lloyd St. Spokane, WA 99223

Melissa Branam 3791 Homestead Drive Mead, CO 80542

TwentyTen, LLC 5407 S. Lloyd St. Spokane, WA 99223 Hettie Elizabeth Williamson 11092 Flatiron Dr. Lafayette, CO 80026

Thomas Edward Yackey and Michelle A. Watters Yackey P.O. Box 163 Yampa, CO 80483

Carrie Smith P.O. Box 63 Mead, CO 80542

Jamie Justesen 3699 Co. Rd 510 Ignacio, CO 81137

Michael Justesen 3699 County road 510 Ignacio, CO 81137

Kathy Kerr Williamson 866 Mary Drive North Pole, AK 99705

TwentyTen, LLC RR 1 Box 39 Luray, MO 63453

The Personal Representative of the Estate of Billy Joe Kirkpartick Unknown

Keith D. Allison 3750 N. Cascade Avenue #9 Colorado Springs, CO 80907

Kevin L. Schmidt 325 S. Xapary St. Aurora, CO 80634

Raymond F. Larson and Kathleen A. Larson 120 N 40th Avenue Greeley, CO 80634

Alvin L. Sall, 347 Dawson Dr. Santa Clara, CA 95051

Robert Lee Yackey 3146 W. 6th St. Greeley, CO 80634

Sheryl L. Yackey 2308 6th St. Greeley, CO 80634

Dorothy Louise Elrod 1204 W. 88th Avenue Denver, CO 80260

Janet Laverne Rudd 1625 E. Trojan Dr. Casper, WY 82609

Kyle Reichert PSC 37 Box 1355, APO AE 09459

Dixie Sall Munro 6415 SE Amity Rd. Amity, OR 97101

Brett Reichert 10215 Colette Way Albany, OR 97322

Dewey K. Ankeny and Orlene M. Ankeny 1013 49th Avenue Court Greeley, CO 80634

Lou Folden, Jr. and Yvonne C. Folden, Ind. And as Trustees of the Lou Folden, Jr. Family Revocable Trust 6321 Rio Blanco Dr. Rancho Murieta, CA 95683

Heirs of Glen K. Ankeny c/o Dewey K. Ankeny and Orlene M. Ankeny 1013 49th Avenue Ct. Greeley, CO 80634 Bruce A. Yackey 1107 74th Avenue Greeley, CO 80634

Esther Jean Cleek 6472 Owen St. Arvada, CO 80004

Marvin Leroy Reichert P.O. Box 377323 Ocean View, HI 96737

Joanne Elaine Terriere 12498 Road X.5 Weldona, CO 80653

Heirs or Devisees of Dale O. Sall and Dortha M. Sall c/o Dixie Sall Munro 6415 SE Amity Rd.
Amity, OR 97101

Diane L. Steimle 1939 Breakwood Circle SE Albany, OR 97322

Bertha J. Ankeny c/o Dewey and Orlene Ankeny 1013 49th Avenue Court Greeley, CO 80634

Harry F. Roche and Lorraine M. Roche, Ind. And as Trustees of the Harry F. Roche Family revocable Trust 3463 Majestic Dr. Rocklin, CA 95677

Diane Pennington and Uwe Abraham, as Co-Trustees of the Abraham Family Trust P.O. box 460424 Denver, CO 80246-0424 Doris Lavonne Schaefer 2827 W. 11th St. Greeley, CO 80634

Patricia Ann Brunner 2925 W. 8th St. Greeley, CO 80634

Nancy Jane McComber 57 Bross Place Pagosa, Springs, CO 81147

Ashley E. Behnke 11039 Columbine St. Northglenn, CO 80233

Dallas A. Sall Munro P.O. Box 316 Templeton, CA 93465

Mortgage Guarantee Company Box 10 Idledale, CO 80453

Estate of Margaret I. Folden Unknown

The Estate of Herman H. McCutchen, Jr. c/o Diane Pennington and Abraham Family Trust P.O. Box 460424 Denver, CO 80246-0424

Kenneth Ankeny Box 1806 Borrego Springs, CA 92004-1806