# 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	)	Cause No.
ESTABLISH AN APPROXIMATELY 960-ACRE	)	
EXPLORATORY DRILLING AND SPACING UNIT	)	Docket No.
AND ESTABLISHING WELL LOCATION RULES FOR	)	
THE NIOBRARA FORMATION IN SECTION 13,	)	
TOWNSHIP 4 SOUTH, RANGE 65 WEST, 6TH P.M.	)	
AND SECTION 18, TOWNSHIP 4 SOUTH, RANGE 64	)	
WEST, 6TH P.M., AN UNNAMED FIELD, ARAPAHOE	)	
COUNTY, COLORADO	)	

#### **APPLICATION**

COMES NOW ConocoPhillips Company ("Applicant"), by and through its attorneys, Jost & Shelton Energy Group, P.C., and 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 960-acre drilling and spacing unit and authorizing up one (1) horizontal well in order to efficiently and economically recover the oil, gas and associated hydrocarbons within said 960-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, 6<sup>th</sup> P.M. Section 13: E/2

Township 4 South, Range 64 West, 6<sup>th</sup> P.M. Section 18: All

960 acres, more or less, Arapahoe County, Colorado.

A reference map of the Application Lands is attached hereto.

3. Section 13 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 13 of the Application Lands.

- 4. Section 18 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, and allowed for the treated interval within the Niobrara Formation to be located not closer than 460 feet from the section line. Applicant requests that Order No. 535-97 be vacated only as to Section 18 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 960-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 well in the unit.
- 8. That the Applicant is requesting to drill and complete one (1) horizontal well in order to efficiently and economically recover the oil, gas and associated hydrocarbons within the exploratory 960-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 one (1) well pad in the unit, unless an exception is granted by the Director.
- 10. The treated interval of the proposed horizontal well shall be no closer than 460 feet from the boundaries of the unit (regardless of the lease lines within the unit).
- 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 18 of the Application Lands.
- B. Vacating Order No. 535-100 only as it applies to Section 13 of the Application Lands.
- C. Establishing an exploratory 960-acre drilling and spacing unit for the Application Lands and allowing one (1) horizontal well 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 authorizing one (1) well pad in the unit, unless an exception is granted by the Director.
- E. Finding that an exploratory 960-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 December 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 day of October, 2013.

Respectfully submitted:

By:

Jamie L. Jost

James P. Parrot

ConocoPhillips Company

Jost & Shelton Energy Group, P.C.

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Applicant's Address:
ConocoPhillips Company
600 N. Dairy Ashford Road
Houston, TX 77079-1069

#### **VERIFICATION**

STATE OF TEXAS	)
	) ss.
COUNTY OF HARRIS	)

Sam A. Hamidi, Landman – Rockies with ConocoPhillips Company, 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.

CONOCOPHILLIPS COMPANY

Sam A. Hamidi

Landman, Rockies Business Unit, Niobrara Land

Subscribed and sworn to before me this <u>17</u> day of October, 2013, by Sam A. Hamidi, Landman - Rockies of ConocoPhillips Company.

Witness my hand and official seal.

My commission expires: 1 - 24 - 15

**Notary Public** 

SUSAN C. WEAVER
Notary Public, State of Texas
My Commission Expires
January 24, 2015

## EXHIBIT A Interested Parties List

Burlington Resources Oil & Gas Company LP 600 N. Dairy Ashford Houston, TX 77079

Anadarko Land Corp. 1099 18th St, Suite 1800 Denver, CO 80202

Burlington Resources Oil & Gas Company LP 600 N. Dairy Ashford Houston, TX 77079

ConocoPhillips Company 601 N. Dairy Ashford Houston, TX 77080

Estate of Phebe E. Green 2150 Gaylord Street Denver, CO 80205

Prosper Farms Investments, LLC 5641 N. Broadway Denver, CO 80216

Carruthers & Associates, Inc. 120 Lafayette Street Denver, CO 80218

Walnut Peacemaker, LLC 3515 South Tamarac Drive, #300 Denver, CO 80237

Rice Family Trust - Kenneth M. Rice and Lydia D. Rice Trustees 19 E. Lakeside Drive Cortez, CO 81321

Willis L. Everett and Kathleen T. Everett, joint tenants 8133 Avenida La Prestina, N.E. Alburquerque, NM 87109

Willis L. Everett 8133 Avenida La Prestina, N.E. Alburquerque, NM 87109

Kathleen T. Everett 8133 Avenida La Prestina, N.E. Alburquerque, NM 87109 Box Elder Royalties, LLC P.O. Box 29 Denver, CO 80201

Edythe B. Tupps 507 S. Owens St. Byers, CO 80103

Eunice Irene Steele 14091 E. Marina Dr. #310 Aurora, CO 80014

The Mississippian Partnership 765 S. Ouray Street Aurora, CO 80017

### 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 APPROXIMATELY 960-ACRE EXPLORATORY DRILLING AND SPACING UNIT AND ESTABLISHING WELL LOCATION RULES FOR THE NIOBRARA FORMATION IN SECTION 13, TOWNSHIP 4 SOUTH, RANGE 65 WEST, 6TH P.M. AND SECTION 18, TOWNSHIP 4 SOUTH, RANGE 64 WEST, 6TH P.M., AN UNNAMED FIELD, ARAPAHOE COUNTY, COLORADO	) Cause No.  Docket No. ) )
AFFIDAVIT OF MAILING	į
STATE OF COLORADO )	
COUNTY OF DENVER )	
Jamie L. Jost, of lawful age, and being first duly s declares:	worn upon her oath, states and
That she is the attorney for ConocoPhillips Comp 24, 2013, she caused a copy of the attached Applicatio States Mail, postage prepaid, addressed to the partie hereto.	n to be deposited in the United
_Th	
	lay of October, 2013.
Witness my hand and official seal.	NOTAR
My commission expires: 7 25/2015	ON PUBLIC
Au	et Telle Motory Dublio

Notary Public

### Reference Map ConocoPhillips Company

E/2 of Section 13, Township 4 South, Range 65 West, 6th P.M., and All of Section 18, Township 4 South, Range 64 West, 6th P.M.

