

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

IN THE MATTER OF THE APPLICATION OF
EXTRACTION OIL & GAS, LLC FOR AN
ORDER TO VACATE AN APPROXIMATE 160-
ACRE DRILLING AND SPACING UNIT
ESTABLISHED BY ORDER NO. 381-17 AND
ESTABLISH AN APPROXIMATE 320-ACRE
DRILLING AND SPACING UNIT FOR
SECTION 36, TOWNSHIP 6 NORTH, RANGE
66 WEST, 6TH P.M., FOR THE CODELL AND
NIOBRARA FORMATIONS, BRACEWELL
FIELD, WELD COUNTY, COLORADO

CAUSE NO.

DOCKET NO.

APPLICATION

Extraction Oil & Gas, LLC ("Applicant"), by its attorney, Gretchen VanderWerf, PC, submits this Application to the Colorado Oil and Gas Conservation Commission (the "Commission"), pursuant to C.R.S. § 34-60-116, for an order to vacate an approximate 160-acre drilling and spacing unit established by Order No. 381-17 and to establish an approximate 320-acre drilling and spacing unit for up to six horizontal wells to be drilled for the development and production of oil, gas, and associated hydrocarbons from the Codell and Niobrara Formations in the following lands:

Township 6 North, Range 66 West, 6th P.M.
Section 36: N½

Weld County, Colorado ("Application Lands").

In support thereof, Applicant states and alleges as follows:

1. Applicant is a limited liability company duly authorized to conduct business in the State of Colorado and is a registered operator in good standing with the Commission.
2. Applicant holds certain leasehold interests in the Application Lands. A reference map of the Application Lands is attached hereto.
3. On June 27, 1983, the Commission entered Order No. 381-1, which, among other things, established 80-acre drilling and spacing units for the production of oil and associated hydrocarbons from the Codell Formation underlying certain lands in the Bracewell Field. The N½ of Section 36, Township 6 North, Range 66 West, 6th P.M. is subject to this Order for the Codell Formation.
4. On June 18, 1984, the Commission entered Order No. 381-2 which, among other things, established 80-acre drilling and spacing units for the production of oil and associated hydrocarbons from the Niobrara Formation. By Order No. 381-2, the Niobrara Formation was included in the spaced area of the Bracewell Field as provided for in Order No. 381-1. The N½ of Section 36, Township 6 North, Range 66 West, 6th P.M. is subject to this Order for the Niobrara Formation.

5. On June 18, 1984, the Commission entered Order No. 381-3 which, among other things, permitted multiple completion of wells in the Codell and Niobrara Formations, and where there is no difference in ownership between formations, to commingle production from the formations in the wellbore for existing wells and wells to be drilled. The N½ of Section 36, Township 6 North, Range 66 West, 6th P.M. is subject to this Order for the Codell and Niobrara Formations.

6. On February 18, 1985, the Commission entered Order 381-5 which, among other things, approved an optional additional well on each established 80-acre drilling and spacing unit in the undrilled 40-acre tract, for the production of oil and associated hydrocarbons from the Codell and Niobrara Formations. The additional well would be subject to the Order Nos. 381-1, 381-2, and 381-3. The N½ of Section 36, Township 6 North, Range 66 West, 6th P.M. is subject to this Order for the Codell and Niobrara Formations.

7. 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. Section 36, Township 6 North, Range 66 West, 6th P.M. is subject to this Rule for the Codell and Niobrara Formations.

8. On February 11, 2013, the Commission issued Order No. 381-17 which, among other things, vacated the two 80-acre drilling and spacing units established by Order No. 381-1 and Order No. 381-2 for the NE¼ of Section 36, Township 6 North, Range 66 West, 6th P.M. and established an approximate 160-acre drilling and spacing unit for the NE¼ of Section 36, Township 6 North, Range 66 West, 6th P.M. for the production of oil, gas and associated hydrocarbons from the Codell and Niobrara Formations. The NE¼ of Section 36, Township 6 North, Range 66 West, 6th P.M. is subject to this Order for the Codell and Niobrara Formations.

9. Applicant requests that the Commission establish the Application Lands as an approximate 320-acre drilling and spacing unit for the Codell and Niobrara Formations pursuant to Rule 503.b.(1) and C.R.S. § 34-60-116(2). For the Application Lands, the proposed drilling unit is not smaller than the maximum area that can be economically and efficiently drained by the horizontal wells proposed to be drilled pursuant to this Application and completed in the Codell and Niobrara Formations.

10. Applicant states that for any permitted wells to be drilled under this Application, the treated intervals of the wellbore should not be less than 460 feet from the outer boundary of the proposed drilling unit and not less than 150 feet from any other well or treated interval of a well producing from the Codell or Niobrara Formation, without exception being granted by the Director.

11. Applicant requests that it be authorized to drill and complete up to six horizontal wells in the approximate 320-acre drilling and spacing unit for the Application Lands for the production of oil, gas and associated hydrocarbons from the Codell and Niobrara Formations.

12. The horizontal wells to be drilled under this Application will be drilled from a multi-well pad located in the NE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 36. The wells will be drilled from a pad at an authorized GWA location pursuant to Rule 318A, or from an exception location outside of an authorized GWA window, with surface owner consent.

13. Applicant states that establishing an approximate 320-acre drilling and spacing unit for the Application Lands will allow for economic and efficient drainage of the Codell and Niobrara Formations, will prevent waste, will not adversely affect correlative rights and will assure the greatest ultimate recovery of oil, gas, and associated hydrocarbon substances from the Codell and Niobrara Formations. A 320-acre drilling and spacing unit is not smaller than the maximum area that can be economically and efficiently drained by the proposed wells in the Codell and Niobrara Formations within such unit.

14. The names and addresses of the interested parties according to the information and belief of the Applicant are set forth in Exhibit A attached hereto and made a part hereof, and the undersigned certifies that copies of this Application shall be served on each interested party within seven days after the filing of the Application, as required by Rule 503.e.

15. There are existing vertical wells drilled to and completed in the Codell and Niobrara Formations in the Application Lands. Applicant confirms that such wells are excluded from the proposed 320-acre drilling and spacing unit for Applicant's horizontal wells and that the allocation of proceeds from any existing wells shall continue to be paid on their current spacing or leasehold status.

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. Vacating the 160-acre drilling and spacing unit established by Order No. 381-17 for the NE $\frac{1}{4}$ of Section 36, Township 6 North, Range 66 West, 6th P.M., establishing an approximate 320-acre drilling and spacing unit for the N $\frac{1}{2}$ of Section 36, Township 6 North, Range 66 West, 6th P.M., and approving up to six horizontal wells within the unit for the production of oil, gas, and associated hydrocarbons from the Codell and Niobrara Formations.

B. Establishing that the treated interval of the wellbore may be no closer than 460 feet from the boundaries of the drilling and spacing unit, and no closer than 150 feet from the treated interval of another well in the unit.

C. Finding that an approximate 320-acre drilling and spacing unit will prevent waste, protect correlative rights, and maximize the efficient and economic production of oil, gas, and associated hydrocarbons from the Codell and Niobrara Formations in the Application Lands.

D. Maintaining the established drilling and spacing units for the N $\frac{1}{2}$ of Section 36, Township 6 North, Range 66 West, 6th P.M., for any existing wells capable of producing oil, gas and associated hydrocarbons from the Codell and Niobrara Formations.

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

Dated: November 25, 2013.

Respectfully submitted,

Extraction Oil & Gas, LLC

By: Gretchen VanderWerf
Gretchen VanderWerf
Gretchen VanderWerf, PC
Attorney for Applicant
1525 17th Street
Denver, Colorado 80202
Phone: 303-298-9939

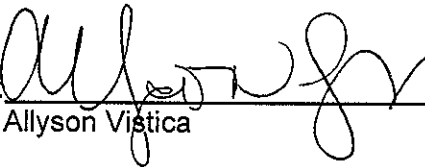
Applicant's Address:

Extraction Oil & Gas, LLC
Attn: Mark J. Choury
1888 Sherman Street, Suite 500
Denver, Colorado 80203

VERIFICATION

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

Allyson Vistica, of lawful age, being first duly sworn upon oath, deposes and says that she is the Senior Landman of Extraction Oil & Gas, LLC, and that she has read the foregoing Application and that the matters therein contained are true to the best of her knowledge, information and belief.

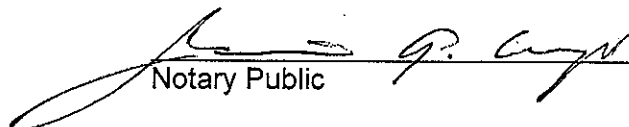
By: 
Allyson Vistica

Subscribed and sworn to before me this 22nd day of November, 2013.

Witness my hand and official seal.

My commission expires: June 4, 2013




Notary Public



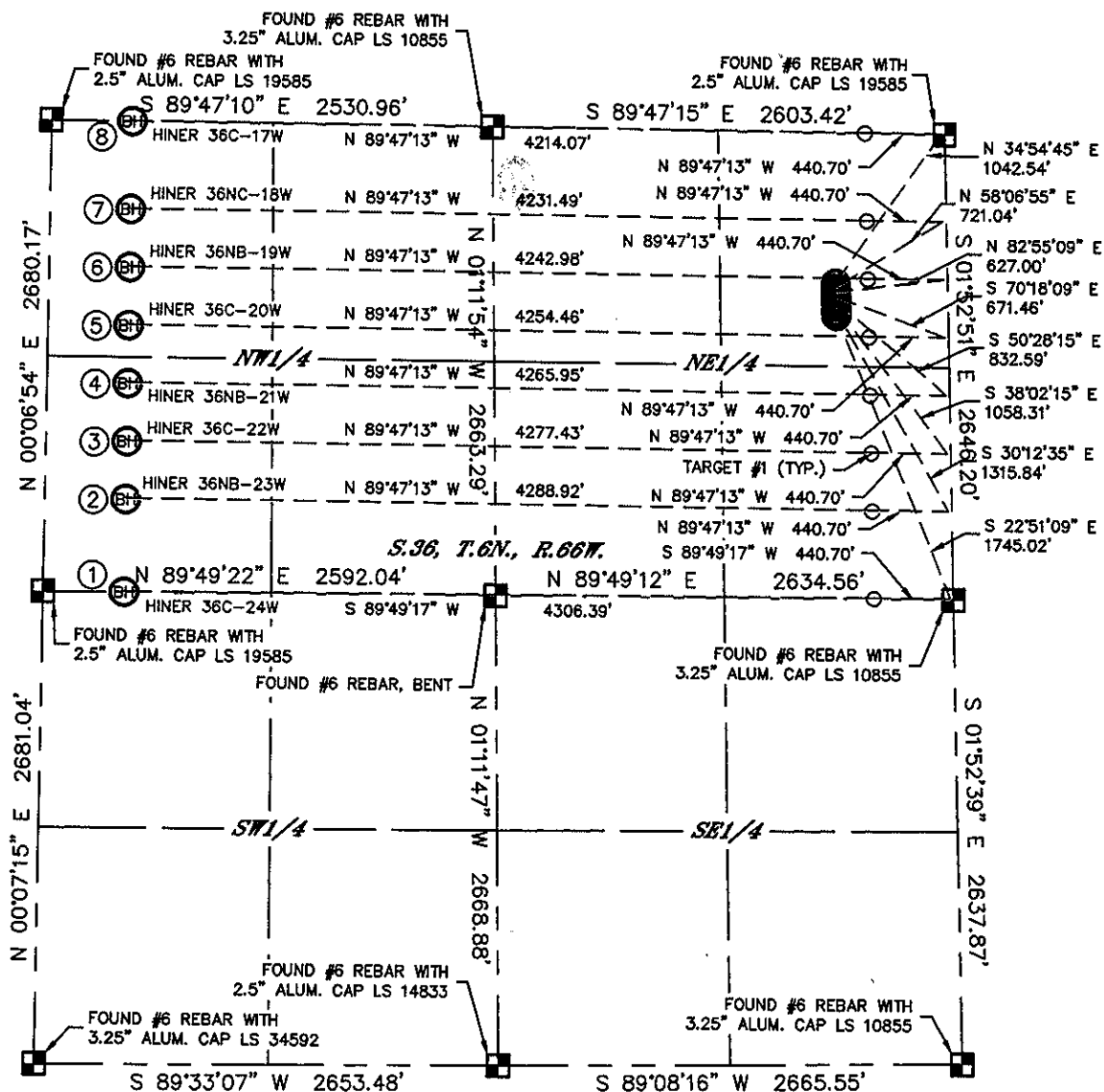
Lat40°, Inc. 1635 Foxtrail Drive, Suite 325 Loveland, CO 970-776-3321

MULTI-WELL PLAN

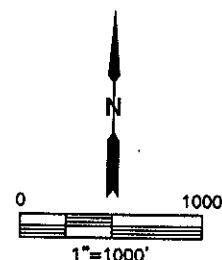
HINER 36 PAD

THIS MAP DOES NOT REPRESENT A BOUNDARY SURVEY

SECTION: 36
TOWNSHIP: 6N
RANGE: 66W



SLOT	WELL NAME	BHL FOOTAGE			BHL LAT °	BHL LONG °
1	HINER 36C-24W	2677	FNL	460	FWL	40.44478 -104.73319
2	HINER 36NB-23W	2147	FNL	460	FWL	40.44624 -104.73317
3	HINER 36C-22W	1818	FNL	460	FWL	40.44714 -104.73316
4	HINER 36NB-21W	1489	FNL	460	FWL	40.44805 -104.73314
5	HINER 36C-20W	1159	FNL	460	FWL	40.44895 -104.73313
6	HINER 36NB-19W	830	FNL	460	FWL	40.44985 -104.73312
7	HINER 36NC-18W	500	FNL	460	FWL	40.45076 -104.73311
8	HINER 36C-17W	0	FNL	460	FWL	40.45213 -104.73309



SHEET 1 OF 2

DATE: 11/19/2013
PROJECT#: 2013146

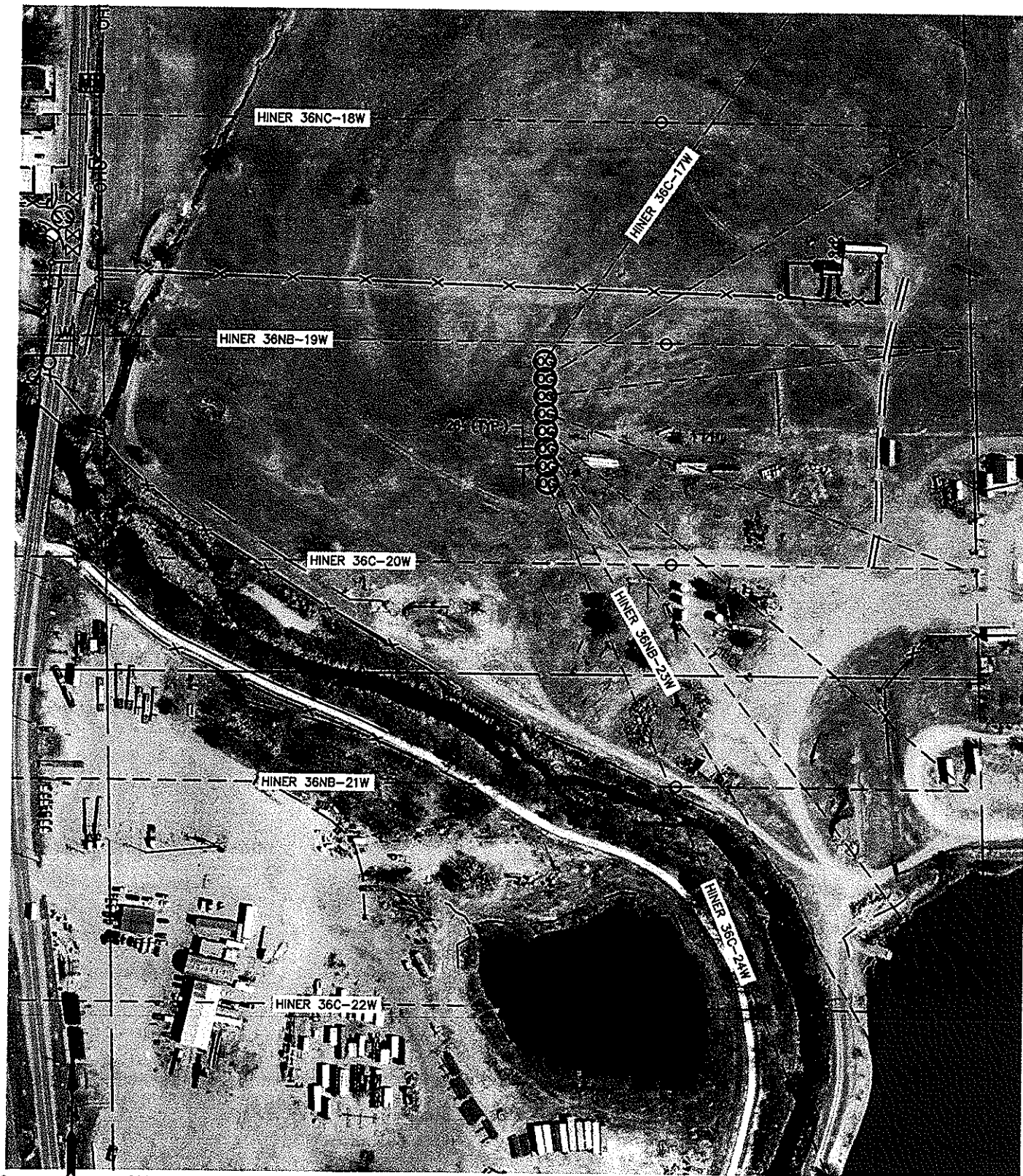


Lat40°, Inc. 1635 Foxtrail Drive, Suite 325 Loveland, CO 970-776-3321

MULTI-WELL PLAN

HINER 36 PAD

SECTION: 36
TOWNSHIP: 6N
RANGE: 66W



SHEET 2 OF 2

DATE: 11/19/2013
PROJECT#: 2013146

EXHIBIT A

LIST OF INTERESTED PARTIES

Noble Energy Production, Inc.
1625 Broadway, Suite 2200
Denver, CO 80202

Saturn Energy Company
6100 Western Place
P.O. Box 186
Fort Worth, TX 76101

Extraction Oil & Gas, LLC
1888 Sherman Street, Suite 500
Denver, CO 80203

Sunshine Valley Petroleum Corp.
950 Stafford
Casper, WY 82609

Alfredo Nava and Carmela Nava
1406 N. 25th Avenue Ct.
Greeley, CO 80631

Anselmo Ortega
1408 N. 26th Avenue
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c/o Annabelle M. Canzona
1015 39th Avenue
Greeley, CO 80634

Collier C. Foose
727 Peyton Drive
Ft. Collins, CO 80525

Colony Improvement Corporation
1408 N. 26th Avenue
Greeley, CO 80631

Darrell D. Wells
1831 Chesapeake Circle
Johnstown, CO 80534

David Miracle and Tammy Miracle
1509 26th Avenue
Greeley, CO 80631

Emma Jean Silva
1516 N. 26th Avenue
Greeley, CO 80631

Florentina Cavazos
1508 N. 25th Ave. Ct.
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Hugo Nava and Rosario A. Ortiz
1414 N. 25th Ave. Ct.
Greeley, CO 80631

Inez Gutierrez and Pedro R. Gutierrez
401 N. 21st Avenue
Greeley, CO 80631

Javier Gurrola and Leticia Gurrola
1409 N. 25th Ave. Ct.
Greeley, CO 80631

Pearl Gomez
1515 N. 26th Avenue
Greeley, CO 80631

Pearl Gomez, as Guardian
of the Estate of Michael Gomez
1512 N. 26th Avenue
Greeley, CO 80631

Michael Gomez
1512 N. 26th Avenue
Greeley, CO 80631

Estate of Viola Anne Merrill
c/o John Mark Merrill
P.O. Box 771767
Steamboat Springs, CO 80487

Johnny Gomez
4588 Hooker Street
Denver, CO 80211

Jose A. Marquez and Beneranda Marquez
1513 N. 25th Avenue
Greeley, CO 80631

Jose Mendoza and Rose Aguilor
a/k/a Rosita Elvira Aguilar
1507 N. 25th Ave. Ct.
Greeley, CO 80631

Manuel Varela
1411 N. 26th Avenue
Greeley, CO 80631

Maria G. Martinez, Ignacio Martinez,
Valentino Martinez c/o Mary J. Martinez
1403 N. 26th Avenue
Greeley, CO 80631

Nicholas R. Brownwood
24707 County Road #1
LaSalle, CO 80645

Pedro P. Gutierrez
1400 N. 25th Ave. Ct.
Greeley, CO 80631

Estate of Viola Anne Merrill
c/o Jessica Anne Merrill
247 Chatham Drive
Colorado Springs, CO 80906

Delilah Fiechter
2121 24th Street Rd.
Greeley, CO 80631

Joe Anthony Gutierrez and
Linda Mae Rios
1401 N. 25th Ave. Ct.
Greeley, CO 80631

Jose Mendoza
325 23rd Ave. Ct.
Greeley, CO 80631

Juana Rodrigues, Antonio
Rodriguez and Yolanda Jorgensen
1405 N. 26th Avenue
Greeley, CO 80631

Manuel Varela and Aurora Varela
1411 N. 26th Avenue
Greeley, CO 80631

Michael Anthony Gutierrez-Segura
4728 Everglade Ct.
Greeley, CO 80631

Pedro Rodriguez and Ernestina
Rodriguez
1508 N. 26th Avenue
Greeley, CO 80631

Peter B. Gutierrez and Zulema B.
Gutierrez
1406 N. 26th Avenue
Greeley, CO 80631

Peter N. Gutierrez, Joe B. Gutierrez,
and Zulema B. Gutierrez
2511 M Street
Greeley, CO 80631

Ruben Montoya
1413 N. 25th Ave. Ct.
Greeley CO 80631

Rose M. Castillo c/o Susie M. Jojola
1421 25th Ave. Ct.
Greeley, CO 80634-9274

Ruby Dee Gutierrez
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Greeley, CO 80631

Saul Cisneros
1511 N. 25th Ave. Ct.
Greeley, CO 80631

Serafin Castro
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Greeley, CO 80631

Jose D. Alvarez-Flores
1410 N. 25th Ave. Ct.
Greeley, CO 80631

Blanche Estella Castillo
1410 N. 26th Avenue
Greeley, CO 80631

Yrene Palmer Lopez and Margaret Lopez
1416 N. 25th Ave. Ct.
Greeley, CO 80631

Rosalie Anne Sedillos
1504 N. 26th Avenue
Greeley, CO 80631

Beatrice Cervantes
1505 N. 26th Avenue
Greeley, CO 80631

Vicente Vega-Chavez and
Felicitas Ruiz de Vega
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Greeley, CO 80631

Fernando Aguilar and Alma-Delia Aguilar
1504 N. 25th Ave. Ct.
Greeley, CO 80631

Joseph C. Filipponi
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Greeley, C 80631

Maximo Ortega and Margarita Ortega
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Greeley, CO 80631

Jose Alejandro Rodriguez-
Hernandez and Lucina Rodriguez
1515 N. 25th Ave. Ct.
Greeley, CO 80631

Bernadette Wendy Duran
1514 N. 25th Ave. Ct.
Greeley, CO 80631

Manuel Gallegos
1513 N. 26th Avenue
Greeley, CO 80631

Weld County Board of Commissioners
1150 O Street
Greeley, CO 80632

Cottonwood Land and Farms, LLC
4770 Baseline Road, Suite 300
Boulder, CO 80303

City of Greeley Water & Sewer Dept.
1100 10th Street
Greeley, CO 80631.

R.M. Hiner Construction Company,
Inc.
11 Austin Road
Lamar, CO 81052

Donald L. New Trust
Bonnie J. New Trust
1630 N. 35th Avenue
Greeley, CO 80631

Flatiron Companies
P. O. Box 229
Boulder, CO 80306

Bucklen Equipment Company
804 N. 25th Avenue
Greeley, CO 80631

Temple Bethel Assembly of God
1527 N. 25th Ave. Ct.
Greeley, CO 80631

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

Colorado Division of Wildlife
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Denver, CO 80216

David Bauer
Weld County
1111 H Street
Greeley, CO 80632

Washington Properties IV, LLC,
c/o Patti M. Stickler and David B.
Stickler
P.O. Box 7063
Loveland, CO 80537

1415 N. 25th Ave., Greeley, LLC
1045 Lincoln Street, Suite 102
Denver, CO 80203