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

IN THE MATTER OF THE APPLICATION OF PDC ENERGY, INC. FOR AN ORDER TO POOL ALL INTERESTS IN AN APPROXIMATE 320-ACRE DESIGNATED WELLBORE SPACING UNIT IN SECTION 25, TOWNSHIP 5 NORTH, RANGE 65 WEST, 6TH P.M., FOR THE NIOBRARA FORMATION, WATTENBERG FIELD, WELD COUNTY, COLORADO

CAUSE NO.

DOCKET NO.

APPLICATION

COMES NOW PDC Energy, Inc. ("Applicant"), by its attorneys, Jost & Shelton Energy Group, P.C., and makes this application to the Oil and Gas Conservation Commission of the State of Colorado ("Commission") for an order to pool all interests within an approximate 320-acre wellbore spacing unit for the drilling of the LaSalle 25F-332 Well, (API No. 05-123-37340) ("Well") for the development of the Niobrara Formation on the following described lands:

Township 5 North, Range 65 West, 6th P.M. Section 25: N½

Weld County, Colorado (hereinafter "Application Lands").

In support thereof, Applicant states and alleges as follows:

- 1. Applicant is a corporation duly authorized to conduct business in the State of Colorado, and is a registered operator in good standing with the Commission.
 - 2. Applicant owns certain leasehold interests in the Application Lands.
- 3. On February 19, 1992, the Commission entered Order No. 407-87 (amended August 20, 1993), which among other things, established 80-acre drilling and spacing units for the production of oil and/or gas from the Niobrara Formation underlying certain lands, with the permitted well locations in accordance with the provisions of Order No. 407-1 and allowed downhole commingling of production from the Codell and Niobrara Formations.
- 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 of the Cretaceous Age Formations from the base of the Dakota Formation to the surface. On December 5, 2005, Rule 318A was amended 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 to, among other things, address drilling of horizontal wells.

- 5. On July 14, 2009, the Commission entered Order No. 407-334, which, among other things, established a wellbore spacing unit consisting of the W½ NW¼ of Section 30, Township 5 North, Range 64 West, 6th P.M., and the E½ NE¼ of Section 25, Township 5 North, Range 65 West, 6th P.M., and to pool all nonconsenting interests in said unit, for the development and operation of the Codell and Niobrara Formations.
- 6. On August 18, 2009, the Commission entered Order No. 407-335, which, among other things, established two approximate 160-acre wellbore spacing units for certain lands located in Section 30, Township 5 North, Range 64 West, 6th P.M., and Section 25, Township 5 North, Range 65 West, 6th P.M., for the production of oil and associated hydrocarbons from the Codell and Niobrara Formations, and to pool all nonconsenting interests in said units, for the development and operation of the Codell and Niobrara Formations.
- 7. On June 27, 2011, the Commission entered Order No. 232-278, which, among other things, pooled all nonconsenting interests in a designated approximate 160-acre wellbore spacing unit for certain lands located in Sections 25 and 26, Township 5 North, Range 65 West, 6th P.M. (to accommodate the Geib #41-26 Well), for the development and operation of the Codell, Niobrara and "J" Sand Formations.
- 8. On June 27, 2011, the Commission entered Order No. 232-284, which, among other things, pooled all nonconsenting interests in a designated approximate 160-acre wellbore spacing unit for the SE¼ SE¼ of Section 23, the SW¼ SW¼ of Section 24, the NW¼ NW¼ of Section 25, and the NE¼ NE¼ of Section 26, Township 5 North, Range 65 West, 6th P.M. (to accommodate the Geib #26-26 Well), for the development and operation of the Codell, Niobrara and "J" Sand Formations.
- 8. Applicant designated the 320-acre wellbore spacing unit, as defined below, for the production of oil, gas, and associated hydrocarbons from the Niobrara Formation pursuant to Rule 318A. and notified the appropriate parties under Rule 318A.
- 9. Applicant, pursuant to Commission Rule 530 and/or the provisions of C.R.S. § 34-60-116 (6) and (7), hereby requests an order to pool all interests, including but not limited to, any nonconsenting interests in the Application Lands in the Niobrara Formation underlying the following approximate 320-acre designated wellbore spacing unit:

Township 5 North, Range 65 West, 6th P.M. Section 25: N½

(hereafter "Wellbore Spacing Unit").

- 10. Applicant requests that the Commission's pooling order be made effective as of the earlier of the date of this Application, or the date that the costs specified in C.R.S. § 34-60-116(7)(b) are first incurred for the drilling of the Well to the Niobrara Formation on the Application Lands.
- 11. Applicant certifies that copies of this Application will be served on all persons owning an interest in the mineral estate of the tracts to be pooled within seven (7) days of the date hereof, as required by Rule 507.b(2), and that at least thirty (30) days prior to the hearing on this matter, each such interest owner not already leased or voluntarily pooled will be offered the opportunity to lease, or to participate in the drilling of the Well, and will be provided with the information required by Rule 530 as applicable. The list of such interested parties is attached hereto as Exhibit A.
- 12. That in order to prevent waste and to protect correlative rights, all interests in the Wellbore Spacing Unit should be pooled for the orderly development of the Niobrara Formation, including any nonconsenting interests therein.

WHEREFORE, Applicant 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, the Commission enter its order:

- A. Pooling all interests in the Application Lands and the Wellbore Spacing Unit for the development of the Niobrara Formation.
- B. Providing that the Commission's pooling order is made effective as of the earlier of the date of this Application, or the date that any of the costs specified in C.R.S. § 34-60-116(7)(b) are first incurred for the drilling of the Well in the Wellbore Spacing Unit to the Niobrara Formation on the Application Lands.
- 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 the Well are pooled by operation of statute, pursuant to C.R.S. § 34-60-116(6) and (7), and made subject to the cost recovery provisions thereof with respect to the Well drilled to develop the Niobrara Formation in the Wellbore Spacing Unit comprising the Application Lands.
- D. 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 March 2014, 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: January 16, 2014.

Respectfully submitted:

PDC Energy, Inc.

By:

Jamie L. Jost Joseph M. Evers

Jost & Shelton Energy Group, P.C.

Attorneys for Applicant 1675 Larimer St., Suite 1400 Denver, Colorado 80202

(720) 379-1812

Applicant's Address:

PDC Energy, Inc. ATTN: Marie McCord

1775 Sherman Street, Suite 3000

Denver, CO 80203

VERIFICATION

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

Eric Swenson, of lawful age, being first duly sworn upon oath, deposes and says that he is Regional Landman for PDC Energy, Inc., and that he has read the foregoing Application and that the matters therein contained are true to the best of his knowledge, information and belief.

Eric Swenson Regional Landman PDC Energy, Inc.

Subscribed and sworn to before me this 15th day of January 2014.

Witness my hand and official seal.

[SEAL]

My commission expires: 31514

Notary Public

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

IN THE MATTER OF THE APPLICATION OF CAUSE NO. PDC ENERGY, INC. FOR AN ORDER TO POOL ALL INTERESTS IN AN APPROXIMATE DOCKET NO. 320-ACRE DESIGNATED **WELLBORE** SPACING UNIT IN SECTION 25, TOWNSHIP 5 NORTH, RANGE 65 WEST, 6TH P.M., FOR THE NIOBRARA FORMATION, WATTENBERG FIELD, WELD COUNTY, COLORADO

Notary ID 20134059312 My Commission Expires Sep 18, 2017

AFFIDAVIT OF MAILING

STATE OF COLORADO)
CITY AND COUNTY OF DENVER)ss.)
and declare that I am the attorney for F	being first duly sworn upon my oath, state PDC Energy, Inc., and that on or before the <u>January</u> , 2014, I caused a copy osited in the United States Mail, postage on <u>Exhibit A</u> to the Application.
	Januil. It
	Jamie L. Jost
Subscribed and sworn to before me this	<u>/</u> day of January 2014.
Witness my hand and official seal.	
[SEAL]	
My commission expires: 9/18/	DANIELLE E CARRO Notary Public
Mota	ry Public State of Colorado

EXHIBIT A

Noble Energy, Inc. 1625 Broadway, Suite 2200 Denver, CO 90202

Noble Energy WyCo, LLC 1625 Broadway, Suite 2200 Denver, CO 90202

Cowen Oil Company 300 16th Street, Suite 207 Greeley, CO 80631

Johns Hopkins University Estate of James H Duncan Office of Gift Planning Baltimore, MD 21218

Kenneth D Hill 2292 Trestle Road Fort Collins, CO 80525

Andrews Capital Holdings, LLC 1300 Teakwood Drive Fort Collins, CO 80525

Donald P Hill 9128 North 70th Street Paradise Valley, AZ 85253

Barbara H Irwin 358 Cobblestone Drive Colorado Springs, CO 80906-4818

Sayers H Sarran 3939 Erie Avenue #3150 Cincinnati, OH 45208

McArthur Minerals, LLC 2313 17th Street Greeley, CO 80634-6005

Mark Hamilton 23561 County Road 52 Greeley, CO 80631 Mary Kathryn Sheehan 244 Mirafield Lane Austin, TX 78737

Virginia A Nance 13615 Rainwater Drive Pearland, TX 77584

Cyril J Grossaint 2422 50th Ave Greeley, CO 80634

Keith J Grossaint 395 Golden Shore Drive Las Vegas, NV 89123

Lisa J Johnson 560 5th Street Nunn, CO 80648

Richard J Grossaint 3193 Castle Canyon Ave Henderson, NV 89052

Rosemary A Mathis 1704 51st Avenue Greeley, CO 80634-3021

Julius A Pluss Unit #306 Denver, CO 80209

Rose M Pluss Unit #306 Denver, CO 80209

Odyssey Royalties, LLC 8261 S Monaco Court Centennial, CO 80112

Pepco, Inc. 3981 S Birch Street Englewood, CO 80113

Kristin Hoch Quinn 384 S Bonnie Ave Pasadena, CA 91106 Cade Oil And Gas, LLC 11342 Birolli Place Littleton, CO 80125

Barry L Kramish 6851 S Gaylord Street, #2205 Centennial, CO 80122

James H Pluss Dba Pluss Poultry 3033 E 1st Ave, Suite 502 Denver, CO 80206

Sam Pluss Jr. Pluss Poultry 3033 E 1st Ave, Suite 502 Denver, CO 80206

Roec Inc. PO Box 33440 Santa Fe, NM 87594

Carol E Barrett 523 Pawnee Drive Sterling, CO 80751

Joanne F. & Gerald L Hart, JT 1826 Daytona Lane Johnstown, CO 80534

Marise R. Downing 2422 Ninth Ave Greeley, CO 80631

Norma J. Wegher 2542 West 15th Street Greeley, CO 80634

Sister Mary Wegher St Martin Monastery Rapid City, SD 57702-9613

Ryland Royalty 6850 TPC Drive, Suite 202 McKinney, TX 75070

Lennan Main, Ltd PO Box 1718 Fort Worth, TX 76101 O. Paul Leonard, III PO Box 1718 Fort Worth, TX 76101

Daniel M Leonard PO Box 471692 Fort Worth, TX 76147-1401

Comanche Enterprises, Inc. 1800 Shady Grove Road Weatherford, TX 76088

Laura E. Leonard Insurance Trust Obie P Leonard III Trustee PO Box 1718 Fort Worth, TX 76101

Louise Keffler PO Box 1718 Fort Worth, TX 76101

Tall Grass Energy, LLC 5 Red Tail Drive Highlands Ranch, CO 80126

Trinity Resources, LLC 1520 West Canal Ct, Suite 220 Littleton, CO 80120

FBO Investments, LLP PO Box 4210 Grand Junction, CO 81502

Argonaut Ventures LLC PO Box 4210 Grand Junction, CO 81502

Fougasse Ventures LLC 2429 Bissonnet Street, Suite 532 Houston, TX 77005

John P Allen & Toni L Dengler 5432 Southern Hills Drive Frisco, TX 75034

KRL Black River Royalty 6850 TPC Drive, Suite 202 McKinney, TX 75070 James D Wicklatz 4528 Beard Ave South Minneapolis, MN 55410

Katharine W Greger F/k/a Katharine A Wicklatz 2024 25th Ave South, Apt 2 Minneapolis, MN 55406

Estate Of A Gene Wegher, C/O Linda A. Wegher, PR Gillette, WY 82718

Oswald Family Trust dated 4-27-98 Louis A Oswald III Trustee PO Box 280969 Lakewood, CO 80228-0969

Pumpkin Buttes LLC PO Box 1989 Casper, WY 82602

Rita Cassell Living Trust 2235 Galrnd Street Lakewood, CO 80215

Paragon Oil & Gas LLC 9640 Red Oakes Place Highlands Ranch, CO 80126

Jonathan Roderick Living Trust dated 2/8/07 Jonathan S Roderick Trustee PO Box 7961 Boulder, CO 80306

Centennial Mineral Holdings, LLC 5950 Cedar Springs Road, Suite 200 Dallas, TX 75235

Linda A Wegher 1650 Country Club Road Gillette, WY 82718

Cozzens Living Trust dated August 25, 2010 3170 Soaring Bird Circle Colorado Springs, CO 80920 Bettie Kaye Miller 14200 Upper Fredericktown Road Fredericktown, OH 43019

Grayrock Minerals, LLC 5950 Cedar Springs Road, Suite 200 Dallas, TX 75235

Herbert H Duell 1601 Rosewood Drive Brentwood, TN 37027

John R & Lucille C Duell Living Trust dated 4/10/2000 John & Lucille Duell Trustees 26542 Weld County Road 51 Greeley, CO 80631-9798

LHB Ventures, LLC PO Box 46063 Denver, CO 80201-6063

Alma L & Kelly B Tisher, JT PO Box 533 Littleton, CO 80160

Carol S Fowler 130 Los Gatos Place Poinciana, FL 34959

Cynthia M Spurlock 325 Washington Ave South, #342 Kent, WA 98032

Irene Duell 2552 Oleada Court Englewood, FL 34224

BOKF NA dba CO State Bank & Trust CSTN fbo Rita A Cassell SD IRA 1600 Broadway - Trust Dept Denver, CO 80202

Martha H Salser P O Box 571 Kersey, CO 80644

Ardis Lynn Kerns 1811 Montview Blvd Greeley, CO 80631 Clyde A Nelson 7455 Centennial Glen Drive Colorado Springs, CO 80919

Helen M Crews 6600 W 20th, #35 Greeley, CO 80634

Judy A Brannberg PO Box 201 Louvlers, CO 80131

Bruce Glen Duell 1575 Monroe Street Denver, CO 80206

Larry Dwayne Duell 1910 Homestead Road Greeley, CO 80634

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

Hoffner Co. 237 South Mountain View Drive Eaton, CO 80615

Larry C & Shelly D Hood, JT 131 Settlers Cove Eaton, CO 80615

Gerald & Shari Huber 1380 Settlers Drive Eaton, CO 80615

Larry J & Jenean L Huckaby, JT 274 Ridge Road Eaton, CO 80615

William E & Cathy E Hudson 144 Ridge Road Eaton, CO 80615

James E James 7233 Spanish Bay Drive Windsor, CO 80550

Marvin & Elizabeth Johnson, JT 254 Ridge Road Eaton, CO 80615 Douglas J & Maria S Jordan, JT 1325 Settlers Drive Eaton, CO 80615

Peter E Kamp & Norma L Beamer, JT 27 South Mountain View Drive Eaton, CO 80615

Douglas & Karen Kayl, JT 1385 Plains Court Eaton, CO 80615

James H & Julie A Kennedy, JT 100 S Cherry Ave, No. 2 Eaton, CO 80615

David L & Noreen D Kenyon, JT 1346 Plains Court Eaton, CO 80615

John J Kimlinger LT John J Kimlinger Trustee 271 Settlers Cove Eaton, CO 80615

Kathleen J Kimlinger LT Kathleen J Kimlinger Trustee 271 Settlers Cove Eaton, CO 80615

Robert Dean Isakson & Beth Ann Isakson, JT 213 Settlers Drive Eaton, CO 80615

Leffler Custom Designs LLC 16977 CR 74 Eaton, CO 80615

Leffler Investments LLC 35945 CR 35 Eaton, CO 80615

Joshua K & Kellie J Lockey, JT 262 Settlers Drive Eaton, CO 80615 Manuel Jimenez Revocable Trust Manuel Jimenez Trustee 1336 Plains Court Eaton, CO 80615

Mary G Gibbs Jimenez RT Mary G Gibbs Jimenez Trustee 1336 Plains Court Eaton, CO 80615

Eric M & Erin R May, JT 1372 Ridge Court Eaton, CO 80615

C N & Pamela McClanahan, JT 121 Settlers Cove Eaton, CO 80615

Mitzi K & Tracey L McCoy 267 South Mountain View Drive Eaton, CO 80615

Steven R Miller 1340 Settlers Drive Eaton, CO 80615

Joan M Milne 18457 Hwy 392, PO Box 22 Lucerne, CO 80646

James R Mitchell & Beatrice May Radford-Mitchell Trust 111 Settlers Drive Eaton, CO 80615

Catherine Moore 1505 Colorado Parkway Eaton, CO 80615

Lance & Carolyn Mosness, JT 1400 Colorado Parkway Eaton, CO 80615

Paul Nauss 1374 Colorado Parkway Eaton, CO 80615

Susan C & Robin L Nickell TIC 1375 Settlers Drive Eaton, CO 80615 Mary E O'Neil Fam Gen Sk Trust Dana P Ivers Trustee PO Box 1828 Telluride CO 81435

Phelps Oil & Gas LLC William Ward Phelps, Mgr 280 South High Street Denver, CO 80209-2628

Dorothy Thomas Phelps 21421 State Highway 60 Platteville, CO 80651

Amy Pittington 142 Settlers Drive Eaton, CO 80615

Jay & Rebecca Radcliff, JT 57 South Mountain View Drive Eaton, CO 80615

Sanford & Patricia Reutter, JT 224 Ridge Road Eaton, CO 80615

Robin A Janssen Trust 7/14/94 Carol E Preston Trustee 4912 Firwood Road Lake Oswego, OR 97035

Carl W & Vera J Rodman, JT 140 Settlers Cove Eaton, CO 80615

Margaret A Royer 110 Splendid View Drive Kalispell, MT 59901

David R & Nicole L Ruyle 162 Settlers Drive Eaton, CO 80615

Matthew Salberg & Audrey Salberg, JT 1395 Settlers Drive Eaton, CO 80615

Susan & Leonard Sanders 105 Ridge Road Eaton, CO 80615 Schmidke Family Trust 1/22/01 William E Schmidke & Marcia A Schmidke Trustee 112 Settlers Drive Eaton, CO 80615

Jonathan R & Michelle Schwartz 135 Ridge Road Eaton, CO 80615

Gary D & Kimberly Sell 165 Ridge Road Eaton, CO 80615

William & Tamra Seneff, JT 244 Ridge Road Eaton, CO 80615

Settler's Cove at Governor's Ranch Assoc. 16977 WCR 74 Eaton, CO 80615

Rebecca J & David W Shaffer, JT 1355 Settlers Drive Eaton, CO 80615

Shaunia Ross Trust dated 2/27/08 Shaunia & Louis C Ross Trustees 242 Settlers Drive Eaton, CO 80615

Dana L Shepard 1395 Plains Court Eaton, CO 80615

Russell W & Carla M Siemens, JT 1366 Plains Court Eaton, CO 80615

Donna M & Randal B Smith, JT 1361 Ridge Court Eaton, CO 80615

Milena D Sorrentino 1390 Settlers Drive Eaton, CO 80615

Anthony Gary Sparpana 255 Ridge Road Eaton, CO 80615 Esther I Stecklein 1365 Settlers Drive Eaton, CO 80615

Michael D Stephenson & Michelle L Stephenson, JT 1365 Plains Court Eaton, CO 80615

Russell L & Bonnie J Strole, JT 37 South Mountain View Drive Eaton, CO 80615

Kenneth & Tena Stumpf, JT 1410 Colorado Parkway Eaton, CO 80615

Dana M & Denton M Thompson, JT 1382 Ridge Court Eaton, CO 80615

Raymond D & Nancy C Toth 276 South Mountain View Drive Eaton, CO 80615

Barbara J Schmunk Totos 212 Settlers Drive Eaton, CO 80615

David H & Nancy Wattenberg, JT 215 Ridge Road Eaton, CO 80615

Weld County School Dist. RE-2 200 Park Avenue Eaton, CO 80615

Richard A Wertenberger & Tammie L Wertenberger, JT PO Box 261 Eaton, CO 80615

Thomas K Wilson 134 Ridge Road Eaton, CO 80615

Alexandra Eaton Woodmansee 11564 Killdeer Avenue Glencoe, MN 55336 Tommy R & Cathy D Wyatt, JT 122 Settlers Drive Eaton, CO 80615

Patricia Ann Young 281 Settlers Cove Eaton, CO 80615

Harvey & Elaine Zeller, JT 164 Ridge Road Eaton, CO 80615

Public Service Company of CO Right of Way & Permits Dept. Attn: W E Miller 1800 Larimer Street, Suite 1400 Denver, CO 80202 Larry A & Beverly M Anderson 225 Ridge Road Eaton, CO 80615

Lori L Geisick 118 Settlers Drive Eaton, CO 80615

Gregory R Grablander & Victoria B Grablander, JT 227 South Mountain View Drive Eaton, CO 80615

Christopher & Kelly Martin, JT 264 Ridge Road Eaton, CO 80615

Loris D & L Kay McDaniel, JT 161 Settlers Cove Eaton, CO 80615