

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 VACATE ORDER NO. 535-100  
FOR SECTION 3, TOWNSHIP 4 SOUTH,  
RANGE 64 WEST, 6TH P.M., AND TO  
ESTABLISH AN EXPLORATORY 640-ACRE  
DRILLING AND SPACING UNIT AND  
ESTABLISHING WELL LOCATION RULES  
FOR THE NIOBRARA FORMATION IN  
SECTION 3, TOWNSHIP 4 SOUTH, RANGE  
64 WEST, 6TH P.M., AN UNNAMED FIELD,  
ARAPAHOE COUNTY, COLORADO

Cause No. 535

Docket No.

APPLICATION

ConocoPhillips Company ("Applicant"), by and through its attorneys, Jost & Shelton Energy Group, 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 640-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 640-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 64 West, 6<sup>th</sup> P.M.  
Section 3: All

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

A reference map of the Application Lands is attached hereto.

3. The Application Lands are 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 the Application Lands.

4. 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.

5. 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 640-acre drilling and spacing unit for the Application Lands.

6. 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.

7. 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 640-acre drilling and spacing unit comprised of the Application Lands and that there will be no adverse effect on correlative rights of adjacent owners.

8. 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.

9. 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.

10. 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. 535-100 only as it applies to the Application Lands.

B. Establishing an exploratory 640-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.

C. 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.

D. Finding that an exploratory 640-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.

E. 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 April 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 this 27<sup>th</sup> day of February, 2014.

Respectfully submitted:

**ConocoPhillips Company**

By: 

Jamie L. Jost  
James P. Parrot  
Jost & Shelton Energy Group, P.C.  
Attorneys for Applicant  
1675 Larimer St., Suite 420  
Denver, Colorado 80202  
(720) 379-1812

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

VERIFICATION

STATE OF TEXAS

)


)ss.

COUNTY OF HARRIS

)

Jace L. McKenzie, 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

  
\_\_\_\_\_  
Jace L. McKenzie  
Landman, Rockies Business Unit, Niobrara Land

Subscribed and sworn to before me this 27th day of February, 2014, by Jace L. McKenzie, Landman - Rockies of ConocoPhillips Company.

Witness my hand and official seal.

My commission expires: OCTOBER 24, 2017

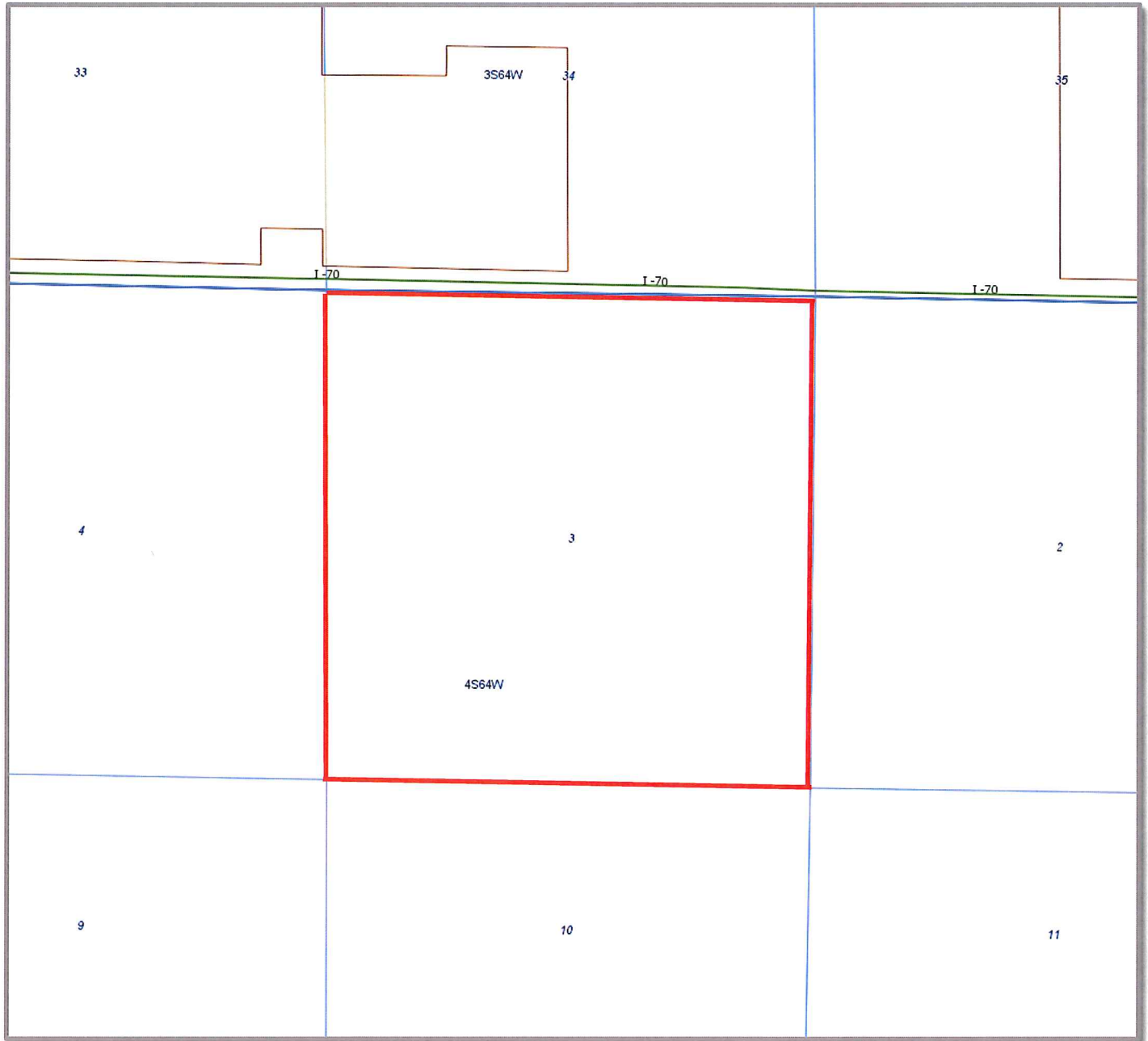
  
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Notary Public



Reference Map  
ConocoPhillips Company

Section 3, Township 4 South, Range 64 West, 6th P.M.



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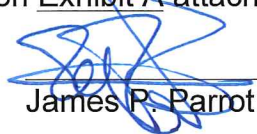
Docket No.

**AFFIDAVIT OF MAILING**

STATE OF COLORADO                     )  
  )ss.  
COUNTY OF DENVER                     )

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 March 6, 2014, 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 27 day of February, 2014.

Witness my hand and official seal.

My commission expires: 2/18/17

  
\_\_\_\_\_  
Notary Public



**Exhibit A**  
**Interested Parties**

Anadarko Land Corporation  
Attn: Manager/Land Administrator  
P.O. Box 173779  
Denver, Colorado 80217

B & D Land Company 600, LLC  
11 Cavanaugh Rd  
Bennett, Colorado 80102

B & D Land Company 600, LLC  
PO Box 210  
Kiowa, Colorado 80117

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

Colorado Department of Transportation  
4201 East Arkansas Avenue  
Denver, Colorado 80222

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