

**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 POOLING ALL INTERESTS IN AN
APPROXIMATE 640-ACRE DRILLING AND
SPACING UNIT IN THE S½ OF SECTIONS 8
AND 9, TOWNSHIP 6 NORTH, RANGE 67
WEST, 6TH P.M., FOR THE CODELL AND
NIOBRARA FORMATIONS, WATTENBERG
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 Oil and Gas Conservation Commission of the State of Colorado ("Commission") for an order pooling all interests in an appropriate 640-acre drilling and spacing unit established for Sections 8 and 9, Township 6 North, Range 67 West, 6th P.M., for the development and operation of the Codell and Niobrara Formations. In support of its Application, 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 owns leasehold interests in the following described lands.

Township 6 North, Range 67 West, 6th P.M.

Section 8: S½

Section 9: S½

Weld County, Colorado ("Application Lands").

3. Concurrently with this Application, Applicant, by its attorney, filed with the Commission a verified application ("Concurrent Application") pursuant to C.R.S. § 34-60-116, for an order to: (1) establish an approximate 640-acre drilling and spacing unit in the S½ of Sections 8 and 9, Township 6 North, Range 67 West, 6th P.M.; and (2) approve up to eleven horizontal wells to be drilled within the unit for the production of oil, gas and associated hydrocarbons from the Codell and Niobrara Formations. Approval of this Application is contingent upon the Commission's approval of the Concurrent Application.

4. 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 Codell and Niobrara Formation underlying certain lands, with the permitted well locations in accordance with the provisions of Order No. 407-1. Sections 8 and 9, Township 6 North Range 67 West, 6th P.M. are subject to this Order for the Codell and Niobrara Formations.

5. 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. Sections 8 and 9, Township 6 North, Range 67 West, 6th P.M. are subject to this Rule for the Codell and Niobrara Formations.

6. Applicant, pursuant to Rule 530 and the provisions of C.R.S. § 34-60-116(6) and (7), requests an order to pool all interests, including, but not limited to, any nonconsenting interests in the Application Lands for the operation and development of the Codell and Niobrara Formations underlying the following approximate 640-acre drilling and spacing unit:

Township 6 North, Range 67 West, 6th P.M.

Section 8: S½

Section 9: S½

("Drilling and Spacing Unit").

7. 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 any of the costs specified in C.R.S. § 34-60-116(7)(b)(II) are first incurred in drilling operations for each of the eleven wells and to subject any nonconsenting owners to the cost recovery provisions of C.R.S. § 34-60-116(7).

8. Applicant intends to drill the horizontal wells as part of a continuous drilling program and will comply with Rule 530 for each of the eleven authorized wells pursuant to C.R.S. § 34-60-116(7), by providing a Pro Forma Authorization for Expenditure and Election Letter to each nonconsenting party at least 30 days prior to the hearing in this matter.

9. 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 days of the date hereof, as required by Rule 503.e., and that at least 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 wells, and will be provided with the information required by Rule 530, as applicable. The list of interested parties is attached hereto as Exhibit A.

10. That in order to prevent waste and to protect correlative rights, all interests in the Application Lands should be pooled for the efficient development of the Codell and Niobrara Formations, 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 Drilling and Spacing Unit for the development and operation of the Codell and Niobrara Formations.

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)(II) are first incurred in drilling operations for each of the eleven wells.

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 of C.R.S. § 34-60-116(7), with respect to the eleven wells authorized to develop the Codell and Niobrara Formations in the Drilling and 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 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: February 27, 2014.

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: Allyson Vistica
1888 Sherman Street, Suite 200
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
Allyson Vistica

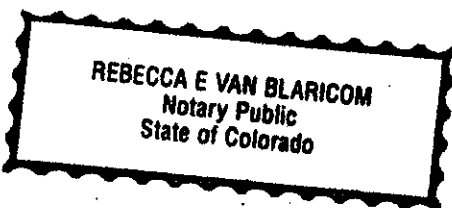
Subscribed and sworn to before me this 26 day of February, 2014.

Witness my hand and official seal.

My commission expires: 02/27/2016

(SEAL)

Rebecca E. Van Blaricom
Notary Public



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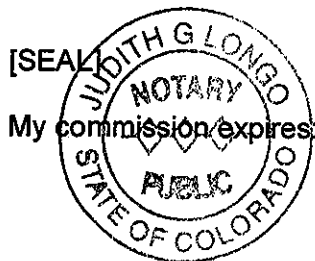
Gretchen VanderWerf, of lawful age, being first duly sworn upon oath, states and declares that she is the attorney for Extraction Oil & Gas, LLC, that on or before March 5, 2014, she caused a copy of the Application in the above-referenced docket to be deposited in the United States mail, postage prepaid, addressed to the parties listed in Exhibit A to the Application.

By:

Gretchen VanderWerf
Gretchen VanderWerf

Subscribed and sworn to before me this 5th day of March, 2014.

Witness my hand and official seal.



J. G. Longo
Notary Public