

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

IN THE MATTER OF THE APPLICATION OF	)	
WARD PETROLEUM CORPORATION FOR AN	)	
ORDER TO ESTABLISH A 640-ACRE DRILLING	)	CAUSE NO. 407
AND SPACING UNIT FOR HORIZONTAL WELLS	)	
TO THE CODELL AND NIOBRARA FORMATIONS	)	DOCKET NO. 1406-SP-____
IN SECTION 25, TOWNSHIP 1 SOUTH,	)	
RANGE 67 WEST, WATTENBERG FIELD,	)	
ADAMS COUNTY, COLORADO	)	

**VERIFIED APPLICATION**

COMES NOW, Ward Petroleum Corporation ("Applicant"), by its attorneys, Lohf Shaiman Jacobs Hyman & Feiger PC, and submits it's Verified Application to the Oil and Gas Conservation Commission of the State of Colorado (the "Commission"), for an order to establish a 640-acre drilling and spacing unit in Section 25, Township 1 South, Range 67 West, 6th P.M, for horizontal wells to the Codell and/or Niobrara Formations, Wattenberg Field, Adams County, Colorado, and in support of its application states as follows:

1. Applicant is duly organized and authorized to conduct business in the State of Colorado.
2. Applicant owns leasehold interests in the following described lands in Adams County, Colorado, containing approximately 640-acres (hereinafter, the "Application Lands"):

Township 1 South, Range 67 West, 6th P.M.  
Section 25

3. On December 19, 1983, the Commission issued order No. 407-1 (amended March 29 2000) which, among other things, established 80-acre drilling and spacing units for the production of oil, gas and associated hydrocarbons from the Codell Formation, with the unit to be designated by the operator drilling the first well in each quarter section. The Order provided that the permitted well shall be located in the center of either 40-acre tract within the unit, with a tolerance of 200 feet in any direction, and the operator shall have the option to drill an additional well on the undrilled 40-acre tract in each 80-acre drilling and spacing unit. The Application Lands are subject to this Order for the Codell Formation.

4. On February 19, 1992, the Commission issued Order 407-87 (amended August 20, 1993), which, among other things, established 80-acre drilling and spacing units for production of oil, gas and assorted hydrocarbons from the Codell and Niobrara Formations, with the permitted well locations to be in accordance with Order No 407-1. The Application Lands are subject to this Order for the Codell and Niobrara Formations.

5. On April 27, 1988, the Commission adopted Rule 318A, the Greater Wattenberg Well Location Rule ("GWA Rule"), 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. This Rule

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 the drilling of horizontal wells. The Application Lands are subject to Rule 318A for the Codell and Niobrara Formations.

6. No wells have produced from the Codell or Niobrara Formations in said Section 25.

7. Applicant desires to drill and complete horizontal wells to the Codell and/or Niobrara Formations in the Application Lands.

8. Applicant requests that the Application Lands be established as a 640-acre drilling and spacing unit for the drilling of horizontal wells to the Codell and/or Niobrara Formations. The requested order should provide that up to twelve (12) optional horizontal wells may be drilled in the drilling and spacing unit to said Formations.

9. Applicant asserts that establishment of an approximate 640-acre drilling and spacing unit on the Application Lands, and the provision for up to twelve (12) horizontal wells therein, will permit the economic and efficient drainage of the Codell and Niobrara Formations, will prevent waste, will not adversely affect correlative rights and will help assure the greatest ultimate recovery of oil and associated hydrocarbons from the Codell and Niobrara Formations.

10. The requested order should further provide that the treated interval of any such horizontal well shall be no closer than 460-feet from the boundaries of the unit, and no closer than one hundred fifty (150) feet from the treated interval of any well producing from the Codell and/or Niobrara Formations, without exception being granted by the Director of the Commission.

11. The requested order should further provide that all such horizontal wells must be drilled from no more than two pads in such Section without exception being granted by the Director of the Commission.

12. A drilling and spacing unit of the size and shape specified above is not smaller than the maximum area which can be economically and efficiently drained by a single horizontal well to the Codell and/or Niobrara Formation in the Application Lands.

13. The proposed horizontal wells can be developed in a manner consistent with protection of the environment, public health, safety and welfare.

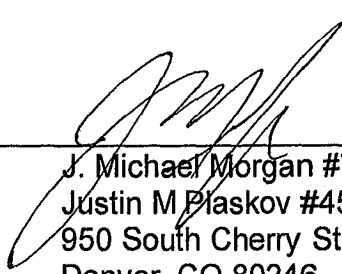
14. The names and addresses of the interested parties according to the information and belief of the Applicant are set forth on **Exhibit A** attached hereto and made a part hereof.

WHEREFORE, the Applicant, Ward Petroleum Corporation, respectfully requests that this matter be set for hearing in June 16 or 17, 2014, that notice be given as required by law, and upon such hearing this Commission enter its order to establish a 640-acre drilling and spacing unit in the Application lands for horizontal wells to the Codell and/or Niobrara Formations as requested above, under terms which are fair, reasonable and required by law.

Dated: April 17, 2014.

**LOHF SHAIMAN JACOBS HYMAN & FEIGER PC**

By: \_\_\_\_\_

  
J. Michael Morgan #7279

Justin M Plaskov #45053

950 South Cherry Street, Suite 900

Denver, CO 80246

(303) 753-9000; (303) 753-9997 (fax)

[mmorgan@lohfshaiman.com](mailto:mmorgan@lohfshaiman.com)

Applicant's Address:

Ward Petroleum Corporation

215 West Oak Street, Suite 1000

Fort Collins, Colorado 80521


**VERIFICATION**

**STATE OF COLORADO            )**  
**) ss.**  
**CITY & COUNTY OF DENVER    )**

The undersigned, of lawful age, having been first sworn upon his oath, deposes and states that:

1. He is contract landman for the Applicant, Ward Petroleum Corporation and maintains his office at 1800 Glenarm Place, Suite 703, Denver, CO 80202.
2. He has read the within Verified Application, is familiar with the facts set forth therein, and states that said facts are true and correct to the best of his knowledge, information and belief.

Further Affiant sayeth not.

  
\_\_\_\_\_  
Ben Schuessler

**EXHIBIT "A"**

**TO APPLICATION OF WARD PETROLEUM CORPORATION**

**Applicant:**

Ward Petroleum Corporation  
215 West Oak Street, Suite 1000  
Fort Collins, CO 80521

**Applicant's Attorney:**

J. Michael Morgan, Esq.  
Lohf Shaiman Jacobs Hyman & Feiger PC  
950 South Cherry Street, Suite 900  
Denver, CO 80246

**Local Government Designee:**

Gordon Stevens, Construction Manager  
Adams County Public Works  
4430 South Adams County Parkway  
Brighton CO 80601-8218

**Other Interested Parties:**

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

Celia Greenman  
Colorado Division of Wildlife  
6060 Broadway  
Denver CO 80214

**Unleased Mineral Owners:**

Fulton Irrigating Ditch Company  
25 S 4<sup>th</sup> Avenue  
Brighton CO 80601

Centennial Mineral Holdings  
5950 Cedar Springs Rd  
Dallas TX 75235

Sasaki Family Partnership LLLP  
c/o Kathy K Yoshimoto  
697 Voiles Drive  
Brighton CO 80601

Marilyn B. Walker and  
Carolyn M Read  
1623 Silverado Lane  
Ft Lupton CO 80621

Gene N & Janice D Read  
13442 E 132<sup>nd</sup>  
Brighton CO 80601

Robert L Warner  
PO Box 9  
Brighton CO 80601

Noe Valeriano  
12890 Tucson Street  
Brighton CO 80601

Rozelle W Hezlep  
12890 Tucson Street  
Brighton CO 80601

City of Brighton  
c/o Chris Ernest  
500 S 4<sup>th</sup> Avenue  
Brighton CO 80601

Michael Vaughn  
12650 Tucson Street  
Henderson CO 80640

US Department of Interior  
Bureau of Land Management  
2850 Youngfield Street  
Lakewood CO 80215

Colorado Highway Commission  
4201 E Arkansas Avenue  
Denver CO 80222

Sampson Family Limited Partnership  
PO Box 468  
Brighton CO 80601

Catherine A Stevens and  
Berlinda M Valeriano  
12890 Tucson Street  
Brighton CO 80601

Neal N Wall  
241 Tamalpais Drive  
Mill Valley CA 94925

Marjorie A Anderson  
6016 S Monaco Way  
Englewood CO 80111

Warren & Shirley Wall  
287 S 13<sup>th</sup> Avenue  
Brighton CO 80601

Joe Sasaki et al  
1821 County Rd Unit  
Brighton CO 80603

E-470 Public Hwy Authority  
c/o CDOT  
4201 E Arkansas Avenue  
Denver CO 80222

Katherine & Robert Sakaguchi  
1208 Brighton Drive  
Brighton CO 80601

**Working Interest Owners:**

Grizzly Petroleum  
1801 Broadway #500  
Denver, CO 80202

Anadarko E&P Company  
1099 18<sup>th</sup> Street #1800  
Denver CO 80202

Sharp Resources  
1801 Broadway #500  
Denver, CO 80202

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

IN THE MATTER OF THE PROMULGATION AND ) CAUSE NO. 407  
ESTABLISHMENT OF FIELD RULES TO GOVERN )  
OPERATIONS FOR THE CODELL AND NIOBRARA ) DOCKET NO. 1406-SP-\_\_\_\_\_  
FORMATIONS, WATTENBERG FIELD, WELD COUNTY, )  
COLORADO )

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

On April 17, 2014, Ward Petroleum Corporation ("Ward" or "Applicant"), by its attorneys, filed with the Commission pursuant to §34-60-116 C.R.S., a verified application ("Application") for an order to:

- 1) Establish a 640-acre drilling and spacing unit for horizontal wells to the Codell and/or Niobrara Formations in Section 25, Township 1 South, Range 67 West, 6<sup>th</sup> P.M., Weld County, Colorado;
- 2) Permit the drilling of up to twelve (12) horizontal well in the unit to these Formations; and
- 3) Provide that the treated interval of any horizontal well be no closer than 460-feet from the boundaries of the unit, and no closer than one hundred fifty (150) feet from the treated interval of wells producing from these Formations, and be drilled from no more than two pads in Section 25..

APPLICATION LANDS

Township 1 South, Range 67 West, 6<sup>th</sup> P.M.  
Section 25: All

PRIOR RULES AND ORDERS

(available online at: <http://cogcc.state.co.us>, under "ORDERS")

- On December 19, 1983, Order 407-1 (amended March 29 2000) established 80-acre units for the Codell Formation, with the unit to be designated by the operator drilling the first well in each quarter section. The Order provided that the permitted well be located in the center of either 40-acre tract in a unit, with a tolerance of 200 feet in any direction, and the operator would have the option to drill an additional well on the undrilled 40-acre tract in each 80-acre unit.
- On February 19, 1992, Order 407-87 (amended August 20, 1993) established 80-acre units for the Codell and Niobrara Formations, with the permitted well locations to be in accordance with Order No 407-1.
- On April 27, 1988, Commission Rule 318A allowed certain drilling locations to be utilized to drill or twin a well, deepen a well or recomplete a well and to commingle certain Formations, including the Codell and Niobrara. This Rule supersedes all prior Commission spacing orders affecting well location and density requirements

of Greater Wattenberg Area wells. On December 5, 2005, Rule 318A allowed interior infill and boundary wells to be drilled and wellbore spacing units to be established. On August 8, 2011, Rule 318A addressed the drilling of horizontal wells.

NOTICE IS HEREBY GIVEN, pursuant to: 1) the general jurisdiction granted to the Oil and Gas Conservation Commission of the State of Colorado under §34-60-105 C.R.S.; 2) specific powers granted pursuant to §34-60-106 C.R.S.; 3) the State Administrative Procedures Act at §24-4-105 C.R.S.; and 4) the Commission's Series 500 Rules at 2 CCR 404-1, that the Commission has scheduled the above-entitled matter for hearing on:

Date: Monday, June 16, 2014  
Tuesday, June 17, 2014

Time: 9:00 a.m.

Place: Colorado Oil and Gas Conservation Commission  
1120 Lincoln Street, Suite 801  
Denver, Colorado 80203

In accordance with the Americans with Disabilities Act, if any party requires special accommodations as a result of a disability for this hearing, please contact Margaret Humecki at (303) 894-2100 ext. 5139, prior to the hearing and arrangements will be made.

Pursuant to said hearing in the above-entitled matter at the time and place aforesaid, or at any adjourned meeting, the Commission will enter such orders as it deems appropriate to protect the health, safety and welfare of the public and to prevent the waste of oil and gas, either or both, in the operations of said field, and to carry out the purposes of the statute.

At hearing, the Commission will consider the Application and enter an order pursuant to its authority under the statute. **Any interested party desiring to protest or intervene should file with the Commission a written protest or intervention in accordance with Rule 509., no later than June 2, 2014.** Such interested party shall, at the same time, serve a copy of the protest or intervention to the person filing the application. One electronic (cogcc.hearings\_unit@state.co.us), one original and two copies shall be filed with the Commission. **Anyone who files a protest or intervention must be able to participate in a prehearing conference during the week of June 3, 2014.** Pursuant to Rule 511., if the matter is uncontested, it may be approved without a hearing, based on review of the merits of the verified application and supporting exhibits.

OIL AND GAS CONSERVATION COMMISSION  
OF THE STATE OF COLORADO

By \_\_\_\_\_  
Robert J. Frick, Secretary



Dated: \_\_\_\_\_

Colorado Oil and Gas Conservation Commission  
1120 Lincoln Street, Suite 801  
Denver, Colorado 80203  
Website: <http://cogcc.state.co.us>  
Phone: (303) 894-2100  
Fax: (303) 894-2109

Attorneys for Applicant:  
J. Michael Morgan  
Justin Plaskov  
Lohf Shaiman Jacobs Hyman & Feiger PC  
950 South Cherry Street, Suite 900  
Denver, Colorado 80246  
(303) 753-9000  
(303) 753-9997 (fax)  
[mmorgan@lohshaiman.com](mailto:mmorgan@lohshaiman.com)

**BEFORE THE OIL AND GAS CONSERVATION COMMISSION OF  
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IN THE MATTER OF THE APPLICATION OF )  
WARD PETROLEUM CORPORATION FOR AN )  
ORDER TO ESTABLISH A 640-ACRE DRILLING ) CAUSE NO. 407  
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TO THE CODELL AND NIOBRARA FORMATIONS ) DOCKET NO. 1406-SP-\_\_\_\_  
AS TO SECTION 25, TOWNSHIP 1 SOUTH, )  
RANGE 67 WEST, WATTENBERG FIELD, )  
ADAMS COUNTY, COLORADO )

**AFFIDAVIT OF MAILING**

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

J. Michael Morgan, of lawful age and being first duly sworn upon his oath, states and declares:

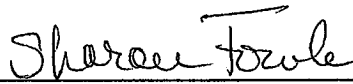
That he is the attorney for Ward Petroleum Corporation in the above-captioned matter. On April 23<sup>rd</sup>, 2014, he caused a copy of the attached Verified Application to be deposited in the United States Mail, postage prepaid, addressed to the parties listed on **Exhibit A** to said Application.

  
\_\_\_\_\_  
J. Michael Morgan

Subscribed and sworn to before me this 23<sup>rd</sup> day of April, 2014.

Witness my hand and official seal.  
My commission expires: 3/5/15



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