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 POOL ALL INTERESTS WITHIN AN APPROXIMATE 640-ACRE DRILLING AND SPACING UNIT FOR SECTION 14, TOWNSHIP 1 SOUTH, RANGE 67 WEST, 6 TH P.M., FOR THE CODELL AND NIOBRARA FORMATIONS,) CAUSE NO. 407) DOCKET NO. 1406-UP)
CODELL AND NIOBRARA FORMATIONS, WATTENBERG FIELD, ADAMS COUNTY, COLORADO)

AMENDED APPLICATION

COMES NOW, Ward Petroleum Corporation ("Ward" or "Applicant") by its attorneys, Lohf Shaiman Jacobs Hyman & Feiger PC, and submits its Amended Application to the Oil and Gas Conservation Commission of the State of Colorado, for an order pooling all interests in an approximate 640-acre drilling and spacing unit for production of oil, gas and associated hydrocarbons from the Codell and Niobrara Formations in certain lands in the Wattenberg Field, Adams County, Colorado, and in support 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 14

- 3. On April 17, 2014, the Applicant filed a companion application to establish a 640-acre drilling and spacing unit comprised of the Application Lands for production of oil gas and associated hydrocarbons from the Codell and Niobrara Formations. Approval of this pooling application is contingent on Commission approval of the companion spacing application.
- 4. Applicant proposes to drill and complete the horizontal Todd Creek Farms #14-4-3HC well to the Codell Formation and the horizontal Todd Creek Farms #14-4-4HN well to the Niobrara Formation (the "Wells") on the Application Lands on an 640-acre unit composed of the Application Lands (the "Unit").
- 5. Applicant has been unable to obtain consent to voluntary pooling by all interest owners in the proposed Unit. As a result, Applicant requests that all interests in the Unit composed of the Application Lands be involuntarily pooled pursuant to C.R.S. §34-60-116, and with respect to the Wells, consenting parties be allowed to recover from any non-consenting owner's share of production the penalty costs provided in C.R.S.§ 34-60-116 (7) of the Colorado Oil and Gas Conservation Act.

- 6. The names and addresses of those persons who own any interest in the mineral estate in the Application Lands, exclusive of overriding royalty interests, according to the information and belief of the Applicant are set forth on **Exhibit A**. Copies of this **Amended** Application shall be served on all such owners within seven (7) days of the date of this **Amended** Application, as required by Commission Rule 503.e.
- 7. At least thirty (30) days prior to the hearing on this **Amended** Application, the Applicant will have sent all owners listed on **Exhibit A**, who have not previously consented to lease or otherwise participate in the drilling and completion of the Wells, an Authority for Expenditures (AFE) and/or supporting documents which contain all information required by Commission Rule 530.b., and in case of unleased mineral owners, an offer to lease which is reasonable based on the factors listed in Commission Rule 530.c. The Applicant shall also agree to first comply with the requirements of Rule 530.b and c with respect to any subsequent well in the pooled unit, prior to applying the cost recovery provisions of said statute.
- 8. Applicant anticipates that one or more of such owners will refuse or fail to respond to such offer to lease and/or to participate in the drilling, completion and operation of such Wells, and shall be deemed non-consenting parties under Commission Rule 530.b and c.
- 9. An order of the Commission pooling all interests in the Unit for production from the Codell and Niobrara Formations shall therefore be necessary in order to afford each owner of an interest in the Unit the opportunity to recover and receive its just and equitable share of the oil and/or gas from the common source of supply underlying the unit.
- 10. The granting of the requested order would not be prejudicial to the owners in the Unit and would protect correlative rights.
- 11. The requested pooling order should be effective as of the date of this **Amended** Application or the date which costs specified by C.R.S. §34-60-116(7)(b) were first incurred by Applicant for the drilling of either of the Wells, whichever is first in time.

REQUEST FOR HEARING AND ORDER

WHEREFORE, Ward prays that this matter be set for hearing on June 16 or 17, 2014, notice of said hearing be given as required by law, if no protests are timely received the matter be considered pursuant to Rule 511.b, and the Commission enter an Order pooling all interests in the Unit comprised of the Application Lands with respect to production of the Codell and Niobrara formations, and that such pooling Order:

- (1) be upon terms and conditions which are just and reasonable and afford to the owner of each interest the opportunity to recover or receive, without unnecessary expense, his just and equitable share of oil and gas;
- (2) provide that production obtained from the pooled tract be allocated to each owner therein on the basis of the proportion that the number of mineral acres held by each owner in the Unit bears to the total number of mineral acres within the Unit;

- (3) provide that with respect to the Wells the consenting parties be allowed to recover from any non-consenting owner's share of production the penalty costs as provided in C.R.S. § 34-60-116 (7)(b); and
- (4) require the operator to provide each non-consenting interest owner in the Unit with monthly statement of costs incurred together with the quantity of oil and gas produced and proceeds realized, pursuant to C.R.S. §34-60-116(8).

RESPECTFULLY SUBMITTED this $\frac{29^{-14}}{2}$ day of April, 2014.

LOHF SHAIMAN JACOBS HYMAN & FEIGER PC

By:

لر. Michael Morgan #7279 Justin Plaskov #45053

950 South Cherry Street, Suite 900

Denver, Colorado 80246

(303) 753-9000 (303) 75-9997 (fax)

mmorgan@lohfshaiman.com

Address of Applicant:

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 **Amended** 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 POOLING 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

Unleased Mineral Owners:

The City of Brighton Grea McAlexander 500 South 4th 14400 Riverdale Road

Brighton CO 80601 Brighton CO 80602

DC White Inc. Alice Wiggett

1365 Brighton Drive 14050 Country Hills Drive Brighton CO 80601 Brighton CO 80601

S.U.S. Brighton Inc. County of Adams 450 S 4th Avenue 21931 E Ridge Trail Circle

Aurora CO 80016 Brighton CO 80601

Steven M & Pamela K Nunn Jenna Cherie Lopez

15171 Riverdale Road 15160 Riverdale Road Brighton CO 80602 Brighton CO 80602

Aggregate Resources LLC Estate of E Calvert 4330 W 37th Avenue c/o Robert S. Calvert 5350 E 52nd Avenue Denver CO 80212

Commerce City CO 80022

Thomas & Janice Cronholm 15151 Riverdale Road Al Krogh Angus Inc

3801 E 64th Avenue Brighton CO 80602

Commerce City CO 80022

City of Thornton

9500 Civic Center Drive Thornton CO 80229

Working Interest Owners:

BH Energy LLC 14405 W Colfax Avenue #298 Lakewood CO 80401

Kerr-McGee Oil & Gas Onshore 1099 18th Street #1800 Denver, CO 80202 Devon Energy Corporation 333 W. Sheridan Avenue Oklahoma City OK 73102

Great Western Oil & Gas LLC 1801 Broadway #500 Denver, CO 80202

Leased Mineral Owners:

Tru Grit Inc 14405 Colfax Ave #298 Lakewood CO 80401

Nauman Family LLC 5660 Dudley Street Arvada CO 80002

Cathy J Ader 14911 Riverdale Road Brighton CO 80602 Marvin M Ader 14911 Riverdale Road Brighton CO 80602

Beverly G Ader PO Box 17 Commerce City CO 80037

Lawrence & Carolyn Gallegos 14831 Riverdale Road Brighton CO 80601

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IN THE MATTER OF THE APPLICATION OF WARD PETROLEUM CORPORATION FOR AN ORDER TO POOL ALL INTERESTS WITHIN AN APPROXIMATE 640-ACRE DRILLING AND SPACING UNIT FOR SECTION 14, TOWNSHIP 1 SOUTH, RANGE 67 WEST, 6 TH P.M., FOR THE CODELL AND NIOBRARA FORMATIONS, WATTENBERG FIELD, ADAMS COUNTY, COLORADO)) CAUSE NO. 407) DOCKET NO. 1406-UP)))		
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 27 th , 2014, he caused a copy of the attached Amended Application to be deposited in the United States Mail, postage prepaid, addressed to the parties listed on Exhibit A to said Amended Application.			
J. Mich	ael Morgan		
Subscribed and sworn to before me this 290 day of April, 2014.			
Witness my hand and official seal. My commission expires: 3 5/15			
	Maron towle Notary Public		