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

IN THE MATTER OF THE APPLICATION OF	)
WARD PETROLEUM CORPORATION FOR AN	CAUSE NO. 407
ORDER TO POOL ALL INTERESTS WITHIN AN	)
APPROXIMATE 640-ACRE DRILLING AND	DOCKET NO. 1406-UP
SPACING UNIT FOR SECTION 24, TOWNSHIP 1	) )
SOUTH, RANGE 67 WEST, 6 <sup>TH</sup> P.M., FOR THE	, )
CODELL FORMATION, WATTENBERG FIELD,	) )
ADAMS COUNTY, COLORADO	<b>)</b>

#### **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 Formation 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 24

- 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 **Sharp #24-3-11HC** (API #05-001-09801) and horizontal Sharp #24-3-9HC (API #05-001-06679) wells (the "Wells") on the Application Lands to the Codell Formation 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 Formation 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 Formation, 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  $29^{th}$  day of April, 2014.

LOHF SHAIMAN JACOBS HYMAN & FEIGER PC

By:

J/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, Denyer, 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:**

K.C. and Donna Spier 14301 Brighton Rd Brighton CO 80601

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

Ready Mixed Concrete Co Sprat-Platte Ranch CO LLLP 4395 Washington Street Denver CO 80216

State Highway Commission of Colorado 4201 E Arkansas Avenue Denver, CO 80222

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

Timothy R. Ferrell and Claudia M Ferrell 13785 Potomac Street Brighton CO 80601 Fulton Irrigating Ditch Company

25 S 4<sup>th</sup> Avenue Brighton CO 80601

John C. Warner UNKNOWN

**Elmwood Baptist Church** 

of Brighton

13100 E 144<sup>th</sup> Avenue Brighton CO 80601

Gail L Smith Living Trust 23880 E 152<sup>nd</sup> Avenue Brighton CO 80603

Jeffrey J Abel

3003 Valmont Rd. Lot 224

Boulder CO 80301

Lennie R & Lolita D Phipps 14305 Potomac Street Brighton CO 80601

Robinson NW LLC

16524 Keystone Blvd #D2

Parker CO 80134

### **Working Interest Owners:**

PDC Energy 1775 Sherman Street #3000 Denver, CO 80203

Bayswater Exploration & Production 730 17<sup>th</sup> Street #610 Denver, CO 80202

Lincoln Petroleum LLC 444 17<sup>th</sup> Street #708 Denver, CO 80202

Noble Energy Inc 1625 Broadway Denver CO 80202

Colorado Energy Corporation UNKNOWN

#### **Leased Mineral Owners**

Elaine A Schaefer 13295 E 136<sup>th</sup> Avenue Brighton CO 80601

Steven T Murata 14151 Potomac Street Brighton CO 80601

Sharp Minerals LLC 9378 S Star Hill Circle Littleton CO 80124

CDOT 4201 E Arkansas Ávenue Denver CO 80222

Albert J Petrocco PO Box 459 Henderson CO 80640

Nauman Family LLC 5660 Dudley Street Arvada CO 80002

George McDonald 7500 E 100<sup>th</sup> Avenue Henderson CO 80640 Dominic A & Genie A Petrocco 7588 Vardon Way Fort Collins CO 80525

Petrocco Family LP 14110 Brighton Road Brighton CO 80601

David A & Susan K Petrocco 14110 Brighton Road Brighton CO 80601

Thomas J Koller 12843 Dexter Way Thornton CO 80421

Joseph P Petrocco 15970 Jackson Street Brighton CO 80602

I Pearl Taylor and Anna Latterly PO Box 77 Avon CO 81620

Ruel Farms Company UNKNOWN

# 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 24, TOWNSHIP 1 SOUTH, RANGE 67 WEST, 6 <sup>TH</sup> P.M., FOR THE	) CAUSE NO. 407 ) DOCKET NO. 1406-UP )		
CODELL FORMATION, 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 and declares:	duly sworn upon his oath, states		
That he is the attorney for Ward Petroleum Corporation in the above-captioned matter. On April $39^{th}$ , 2014, he caused a copy of the attached <b>Amended</b> Application to be deposited in the United States Mail, postage prepaid, addressed to the parties listed on <b>Exhibit A</b> to said <b>Amended</b> Application.			
	M		
J Michael Morgan			
Subscribed and sworn to before me this 29th day of April, 2014.			
Witness my hand and official seal.  My commission expires: $3 5 15$			



Sharon Fowle, Notary Public