

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

IN THE MATTER OF THE APPLICATION OF
PDC ENERGY, INC. FOR AN ORDER TO
POOL ALL INTERESTS IN AN APPROXIMATE
400-ACRE DESIGNATED WELLBORE
SPACING UNIT IN SECTIONS 22 AND 23,
TOWNSHIP 5 NORTH, RANGE 65 WEST, 6TH
P.M., FOR THE NIOBRARA FORMATION,
WATTENBERG FIELD, WELD COUNTY,
COLORADO

CAUSE NO.

DOCKET NO.

APPLICATION

COMES NOW PDC Energy, Inc. ("Applicant"), by its attorneys, Jost & Shelton Energy Group, P.C., and makes this application to the Oil and Gas Conservation Commission of the State of Colorado ("Commission") for an order to pool all interests within an approximate 400-acre designated Wellbore Spacing Unit, as defined below, for the drilling of the Alles 22S-232 Well, (API No. 05-123-39223) ("Well") for the development of the Niobrara Formation on the following described lands:

Township 5 North, Range 65 West, 6th P.M.

Section 22: NE $\frac{1}{4}$ SE $\frac{1}{4}$, SE $\frac{1}{4}$ NE $\frac{1}{4}$

Section 23: N $\frac{1}{2}$ S $\frac{1}{2}$, S $\frac{1}{2}$ N $\frac{1}{2}$

Weld County, Colorado (hereinafter "Application Lands").

In support thereof, Applicant states and alleges as follows:

1. Applicant is a corporation duly authorized to conduct business in the State of Colorado, and is a registered operator in good standing with the Commission.
2. Applicant owns certain leasehold interests in the Application Lands.
3. 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 Niobrara Formation underlying certain lands, with the permitted well locations in accordance with the provisions of Order No. 407-1 and allowed downhole commingling of production from the Codell and Niobrara Formations.
4. 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 of the Cretaceous Age

Formations from the base of the Dakota Formation to the surface. On December 5, 2005, Rule 318A was amended 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 to, among other things, address drilling of horizontal wells.

5. On March 25, 2013, the Commission entered Order No. 407-762, which among other things, approves the request for an order to pool all interests in an approximate 160-acre designated wellbore spacing unit for certain lands in Sections 22 and 23, Township 5 North, Range 65 West, 6th P.M., for the development and operation of the Codell and Niobrara Formation.

6. On April 29, 2010, the Commission entered Order No. 407-362, which among other things, approves the request to pool all nonconsenting interests in a designated 160-acre wellbore spacing unit consisting of the S $\frac{1}{2}$ NW $\frac{1}{4}$ and N $\frac{1}{2}$ SW $\frac{1}{4}$ in Section 23, Township 5 North, Range 66 West, 6th P.M., to accommodate the Doll F #23-20D Well, for the development and operation of the Codell and Niobrara Formations. Order No. 407-362 does not affect this application.

7. Applicant designated the 400-acre Wellbore Spacing Unit, as defined below, for the production of oil, gas, and associated hydrocarbons from the Niobrara Formation pursuant to Rule 318A. and notified the appropriate parties under Rule 318A.

8. Applicant, pursuant to Commission Rule 530 and/or the provisions of C.R.S. § 34-60-116 (6) and (7), hereby requests an order to pool all interests, including but not limited to, any nonconsenting interests, in the Application Lands in the Niobrara Formation underlying the following approximate 400-acre designated Wellbore Spacing Unit:

Township 5 North, Range 65 West, 6th P.M.

Section 22: NE $\frac{1}{4}$ SE $\frac{1}{4}$, SE $\frac{1}{4}$ NE $\frac{1}{4}$

Section 23: N $\frac{1}{2}$ S $\frac{1}{2}$, S $\frac{1}{2}$ N $\frac{1}{2}$

(hereinafter as "Wellbore Spacing Unit").

9. 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 the costs specified in C.R.S. § 34-60-116(7)(b) are first incurred for the drilling of the Well to the Niobrara Formation on the Application Lands.

10. 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 (7) days of the date hereof, as required by Rule 507.b(2), and that at least thirty (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 Well, and will be provided with the information required by Rule 530 as applicable. The list of such interested parties is attached hereto as Exhibit A.

11. That in order to prevent waste and to protect correlative rights, all interests in the Wellbore Spacing Unit should be pooled for the orderly development of the Niobrara Formation, 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 designated horizontal Wellbore Spacing Unit for the development of the Niobrara Formation.

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) are first incurred for the drilling of the Well in the designated horizontal Wellbore Spacing Unit to the Niobrara Formation on the Application Lands.

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 thereof with respect to the Well drilled to develop the Niobrara Formation in the designated horizontal Wellbore Spacing Unit comprising the Application Lands.

D. For such other findings and orders as the Commission may deem proper or advisable in this matter.

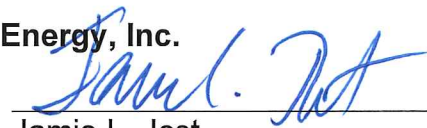
WHEREFORE, Applicant respectfully requests that this matter be set for hearing in July 2014, that notice be given as required by law, and that upon such hearing, the Commission enter its order consistent with Applicant's request as set forth above.

Dated: May 29th, 2014.

Respectfully submitted:

PDC Energy, Inc.

By: _____



Jamie L. Jost

Joseph M. Evers

Jost & Shelton Energy Group, P.C.

Attorneys for Applicant

1675 Larimer St., Suite 1400

Denver, Colorado 80202

(720) 379-1812

Applicant's Address:

PDC Energy, Inc.

ATTN: Marie McCord

1775 Sherman Street, Suite 3000

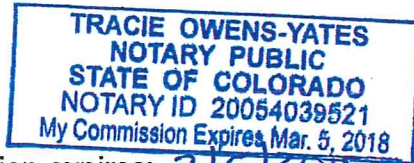
Denver, CO 80203

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

Edward R. Galt

Subscribed and sworn to before me this 28th day of May 2014.

[SEAL]



My commission expires: 3/5/2018

Tracie Owey-Yahr Notary Public

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DOCKET NO.

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


Jamie L. Jost

My commission expires: 9/18/17

Monica Carroll
Notary Public

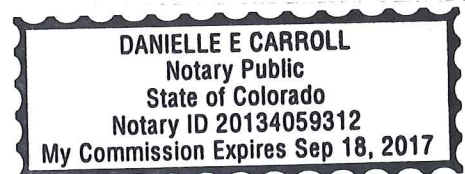


Exhibit A
Interested Party List
FP-Alles 22S-232

PDC Energy
1775 Sherman Street, Suite 3000
Denver, CO 63124

Noble Energy, Inc.
1625 Broadway, Suite 3000
Denver, CO 80202

Petro Canada Resources (USA) Inc.
10020-A Main Street, #10
Bellevue, WA 98004

Noble Energy WYCO, LLC
1625 Broadway, Suite 3000
Denver, CO 80202

Robert S. Shriver, III
C/O Bryan Dunn, Esquire
Kennedy Special
500 Fifth Avenue, Suite 1710
New York, NY 10110

Pulsar Oil & Gas, Inc.
10020-A Main Street, #10
Bellevue, WA 98004

Cigna Energy Partners Joint Ventures
1985-A2121 San Jacinto, Suite 1420
Dallas, TX 75207

Gary D Alles & Susan Alles
26285 Weld County Road 47
Greeley, CO 80631-0000

Glenn & Rebecca Badley JTWROS
22261 Weld Cnty Road 54
Greeley, CO 80631

Benson Mineral Group Inc
1560 Broadway
Denver, CO 80202

Kenneth A Breitenbach
410 17th Street #1151
Denver, CO 80202

James D Brownlie
475 17th Street
Denver, CO 80202-4011

Harold F, Claire Mae &
Theodore A & Daniel J Buderus
3126 Ashton Avenue
Greeley, CO 80631

BWAB Inc
475 17th Street #1390
Denver, CO 80202

Grace E Carlson
5151 W 29th St Unit 2202
Greeley, CO 80634

Ronald J Doll Living Trust
26596 Weld County Road 45
Greeley, CO 80631

Wayne & Jacqueline Dorn
2706 19th Street Road
Greeley, CO 80634

Hoshiko Farms Inc
C/O Jean Hoshiko
PO Box 119
Kersey, CO 80644

Carolyn Kammerzell
12614 Hwy 60
Milliken, CO 80543-0000

Lorenz Farms Inc
26543 Weld Count Road 45
Greeley, CO 80631

Wilma E Stromberger
PO Box 787
Imperial, NE 69033

John R Wallace
5131 Juniper Street
Bow Mar, CO 80123

Darrel Lynn Walter
26712 County Road 45
Greeley, CO 80631