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

IN THE MATTER OF AN APPLICATION BY CIRQUE	)	
RESOURCES LP FOR AN ORDER TO ESTABLISH AN	)	CAUSE NO. 535
APPROXIMATE 1,279.56-ACRE DRILLING AND SPACING	)	
UNIT FOR SECTION 36, TOWNSHIP 12 NORTH, RANGE 66	)	DOCKET NO. To be assigned
WEST, 6 <sup>TH</sup> P.M., AND SECTION 1, TOWNSHIP 11 NORTH,		
RANGE 66 WEST, 6 <sup>TH</sup> P.M., FOR HORIZONTAL WELL	)	
DEVELOPMENT OF THE CODELL FORMATION,	)	
UNNAMED FIELD, WELD COUNTY, COLORADO	)	

#### APPLICATION

Cirque Resources LP ("Cirque" or "Applicant"), by and through its attorneys, Beatty & Wozniak, P.C., respectfully submits this Application to the Oil and Gas Conservation Commission of the State of Colorado (the "Commission") for an order establishing an approximate 1,279.56-acre drilling and spacing unit for Section 36, Township 12 North, Range 66 West, 6<sup>th</sup> P.M., and Section 1, Township 11 North, Range 66 West, 6<sup>th</sup> P.M., and authorizing the drilling of up to four (4) horizontal wells within the proposed unit, for the production of oil, gas and associated hydrocarbons from the Codell Formation. In support of its Application, Applicant states and alleges as follows:

- 1. Applicant is a limited partnership duly authorized to conduct business in the State of Colorado, and has registered as an operator with the Commission.
  - 2. Applicant owns majority leasehold interests in the below-listed lands:

Township 12 North, Range 66 West, 6<sup>th</sup> P.M. Section 36: All

Township 11 North, Range 66 West, 6<sup>th</sup> P.M.

Section 1: Lot 1 (79.88 acres), Lot 2 (79.68 acres), S½N½, S½ (All)

These lands are hereinafter referred to as the "Application Lands." A map depicting the acreage comprising the Application Lands is attached hereto and marked as <u>Exhibit A</u>.

- 3. Rule 318.a. of the Commission Rules provides a well to be drilled 2,500 feet or greater shall be located not less than 600 feet from any lease line, and shall be located not less than 1,200 feet from any other producible or drilling oil or gas well when drilling to the same common source of supply, unless authorized by the Commission upon hearing. The Application Lands are subject to this Rule for the production of oil, gas and associated hydrocarbons from the Codell Formation.
- 4. Applicant requests the Commission establish the Application Lands as an approximate 1,279.56-acre drilling and spacing unit for the Codell Formation pursuant to Rule 503.b.(1) and §34-60-116(2), C.R.S. For the Application Lands, the proposed drilling unit is not smaller than the maximum area that can be economically and efficiently drained by the horizontal wells proposed to be drilled under this Application and completed in the Codell Formation.
- 5. Applicant requests it be authorized to drill and complete up to four (4) horizontal wells in the approximate 1,279.56-acre drilling and spacing unit for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Codell Formation, as necessary to

economically and efficiently recover resources, while minimizing surface impacts, creating efficiencies for drilling and production, increasing the ultimate recovery of the reserves, preventing waste, and protecting correlative rights.

- 6. Applicant states that, for any permitted wells to be drilled under this Application, the treated intervals of the wellbore should be not less than 300 feet from the proposed unit boundaries with an inter-well setback of not less than 660 feet from the treated interval of a well producing from the Codell Formation, without exception being granted by the Director.
- 7. Applicant states that any horizontal wells to be drilled under this Application will be drilled from the surface of the drilling unit, or on adjacent lands with consent of the landowner, without exception being granted by the Director.
- 8. The granting of this Application is in accord with the Oil and Gas Conservation Act, found at §34-60-101, et seq., C.R.S., and the Commission Rules.
- 9. Applicant requests that relief granted under this Application should be effective on oral order by the Commission, and Applicant hereby agrees to being bound by said oral order.
- 10. That the names and addresses of the interested parties (owners within the proposed drilling unit and those owners of contiguous or concerning tracts which may be affected by the change in minimum setbacks) according to the information and belief of the Applicant are set forth in <a href="Exhibit B">Exhibit B</a> attached hereto. The Applicant shall submit a certificate of service for the Application within the seven days as required by Rule 503.e.

WHEREFORE, Applicant respectfully requests that this matter be set for hearing, that notice be given as required by law and that upon such hearing this Commission enter its order:

- A. Establishing an approximate 1,279.56-acre drilling and spacing unit for the Application Lands, and authorizing the drilling of up to four (4) horizontal wells within the proposed unit, for the production of oil, gas and associated hydrocarbons from the Codell Formation, with the treated intervals of the wellbore of any permitted wells to be located not less than 300 feet from the outer boundary of the proposed unit and an inter-well setback of not less than 660 feet from the treated interval of any well being drilled or producing from the Codell Formation, without exception being granted by the Director.
- B. Requiring that any permitted wells to be drilled under this Application should be drilled from the surface of the drilling unit, or on adjacent lands with consent of the landowner, without exception being granted by the Director.
- C. Providing that relief granted under this Application be effective on oral order by the Commission, relying on the Applicant's desire to be bound by said oral order.
- D. For such other findings and orders as the Commission may deem proper or advisable in the premises.

DATED this 17 day of July, 2014.

Respectfully submitted,

CIRQUE RESOURCES LP

Bv:

Røbert A. Willis (Colorado Bar No. 26308)

Jillian Fulcher (Colorado Bar No. 45010)

Beatty & Wozniak, P.C. Attorneys for Applicant 216 16th Street, Suite 1100

Denver, Colorado 80202

(303) 407-4499

rwillis@bwenergylaw.com jfulcher@bwenergylaw.com

Applicant's Address: Cirque Resources LP Mark Seligman, Landman 475 17<sup>th</sup> Street, Suite 1600 Denver, CO 80202

### **VERIFICATION**

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

Mark Seligman, Landman for Cirque Resources LP, upon oath deposes and says that he has read the foregoing Application and that the statements contained therein are true to the best of his knowledge, information and belief.

CIRQUE RESOURCES LP

Mark Seligman

Subscribed and sworn to before me this Hamman day of July, 2014, by Mark Seligman, Landman for Cirque Resources LP.

Witness my hand and official seal.

My commission expires:  $04 \cdot 14 \cdot 2017$ 

JESSIE C SPEICHER
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20094012442
MY COMMISSION EXPIRES APRIL 14, 2017

Votary Public

#### **EXHIBIT B**

#### **INTERESTED PARTIES**

The names and addresses of the interested parties (owners within Section 36, Township 12 North, Range 66 West, 6<sup>th</sup> P.M. and Section 1, Township 11 North, Range 66 West, 6<sup>th</sup> P.M., and those owners of contiguous or concerning tracts which may be affected by the change in minimum setbacks) according to the information and belief of the Applicant are set forth in this Exhibit B.

Cirque Resources LP 475 17<sup>th</sup> Street, Suite 1600 Denver, CO 80202

Cirque Brennsee LLC 475 17th Street, Ste. 1600 Denver, CO 80202

Anadarko E & P Company, LP 1099 18<sup>th</sup> St., Suite 1800 Denver, CO 80202

MYCO IND Inc. 105 S. 4th Street Artesia, NM 88210

Corn Belt Company Address unknown

Tom Schreiner, Energy Liaison Colorado Parks and Wildlife Northeast Region Office 6060 Broadway Denver, CO 80216

Kent Kuster
Oil & Gas Consultant Coordinator
Colorado Department of
Public Health & Environment
4300 Cherry Creek Drive South
Denver, CO 80246-1530

Robert A. Willis Beatty & Wozniak, P.C. 216 16th Street, Suite 1100 Denver, Colorado 80202

Noble Energy, Inc. 1625 Broadway, Ste. 2000 Denver, CO 80202

ABO Petroleum Corp 105 S. 4th Street Artesia, NM 88210

Yates Petroleum Corp 105 S. 4th Street Artesia, NM 88210

Pearl Caroll, LLC 809 Melton Street Cheyenne, WY 82007

David Bauer Weld County 1111 H Street Greeley, CO 80632

Apache Deepwater LLC 2000 Post Oak Blvd. Suite 100 Houston, TX 77056

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

IN THE MATTER OF AN APPLICATION BY CIRQUE RESOURCES LP FOR AN ORDER TO ESTABLISH AN APPROXIMATE 1,279.56-ACRE DRILLING AND SPACING	)	CAUSE NO. 535		
UNIT FOR SECTION 36, TOWNSHIP 12 NORTH, RANGE 66 WEST, 6 <sup>TH</sup> P.M., AND SECTION 1, TOWNSHIP 11 NORTH, RANGE 66 WEST, 6 <sup>TH</sup> P.M., FOR HORIZONTAL WELL DEVELOPMENT OF THE CODELL FORMATION, UNNAMED FIELD, WELD COUNTY, COLORADO	))))))	DOCKET NO. To be assigned		
AFFIDAVIT OF MAILING				
STATE OF COLORADO )				
CITY AND COUNTY OF DENVER )				

Jennifer Pittenger, of lawful age, and being first duly sworn upon her oath, states and declares:

That she is a Legal Assistant at Beatty & Wozniak, P.C., attorneys for Cirque Resources LP, and on or before July 2014, caused a copy of the attached Application to be deposited in the United States Mail, postage prepaid, addressed to the parties listed on Exhibit B to the Application.

Jennifer Pittenger

Subscribed and sworn to before me this \ day of July, 2014.

Witness my hand and official seal.

TERESA L. PETERSON
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 19894002026
MY COMMISSION EXPIRES OCT.4, 2017

Notary Public

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

IN THE MATTER OF AN APPLICA CIRQUE RESOURCES LP FOR AN OBESTABLISH AN APPROXIMATE 1,279 DRILLING AND SPACING UNIT FOR SE TOWNSHIP 12 NORTH, RANGE 66 WEST AND SECTION 1, TOWNSHIP 11 NORTH 66 WEST, 6 <sup>TH</sup> P.M., FOR HORIZONTADEVELOPMENT OF THE CODELL FOR UNNAMED FIELD, WELD COUNTY, COL	RDER TO ) CAUSE NO. 535 9.56-ACRE ) CTION 36, ) INTAKE NO. 57 T, 6 <sup>TH</sup> P.M., ) H, RANGE ) AL WELL ) RMATION, )			
SUPPLEMENTAL AFFIDAVIT OF MAILING				
STATE OF COLORADO	) 1			
CITY AND COUNTY OF DENVER	)ss. )			

Jillian Fulcher, of lawful age, and being first duly sworn upon her oath, states and declares:

That she is the attorney for Cirque Resources LP, and that on or before August 5, 2014 she caused a copy of the above-captioned Application to be deposited in the United States Mail, postage prepaid, addressed to the parties listed below.

U.S. Department of Interior Bureau of Land Management 2850 Youngfield Street Lakewood, CO 80215

Jillian Fulcher

Subscribed and sworn to before me August 4, 2014.

Witness my hand and official seal.

JENNIFER PITTENGER
Notary Public
State of Colorado
Notary ID 20134062771
My Commission Expires Sep 27, 2017

Nøtary Public