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

IN THE MATTER OF AN APPLICATION BY ENCANA)	
OIL & GAS (USA) INC. FOR AN ORDER POOLING ALL)	CAUSE NO. 407
INTERESTS IN AN APPROXIMATE 160-ACRE)	
ESTABLISHED HORIZONTAL WELLBORE SPACING)	DOCKET NO. To be assigned
UNIT LOCATED IN SECTION 19, TOWNSHIP 3		_
NORTH, RANGE 68 WEST, 6 TH P.M., FOR THE)	
DEVELOPMENT/OPERATION OF THE CODELL)	
FORMATION, WATTENBERG FIELD, WELD COUNTY,)	
COLORADO)	

<u>APPLICATION</u>

Encana Oil & Gas (USA) Inc., acting by and through its authorized agent, Encana Services Company, Ltd. ("Encana" 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 pooling all interests in an approximate 160-acre horizontal wellbore spacing unit established for a portion of Section 19, Township 3 North, Range 68 West, 6th P.M., for development and operation of the Codell Formation. In support of its Application, Applicant states and alleges as follows:

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

Township 3 North, Range 68 West, 6th P.M. Section 19: S½N½

Weld County, Colorado

These lands are hereinafter referred to as the "Application Lands" and depicted in Exhibit A attached hereto.

- 3. 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. The Application Lands are subject to Rule 318A.
- 4. Pursuant to Rule 318A., Applicant designated an approximate 160-acre horizontal wellbore spacing unit, comprised of the Application Lands, for the Bohrer 2F-19H-E368 well (API No. 05-123-38447) ("Well") for production of oil, gas and associated hydrocarbons from the Codell Formation. Applicant notified all owners in the proposed wellbore spacing unit pursuant

to Rule 318A.e.(6). Applicant did not receive objections to the establishment of the proposed horizontal wellbore spacing unit within the 30-day response period.

- 5. Acting pursuant to the relevant provisions of §34-60-116(6) & (7), C.R.S., and Rule 530., Applicant seeks an order pooling all interests, including, but not limited to, any nonconsenting interests, in an approximate 160-acre horizontal wellbore spacing unit established for the Application Lands for the development and operation of the Codell Formation.
- 6. Applicant requests that the pooling order entered as a result of this Application be made effective as of the date of this Application.
- 7. Further, Applicant requests 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 made subject to the cost recovery provisions of §34-60-116(7), C.R.S.
- 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 be bound by said oral order.
- 10. That the names and addresses of the interested parties (persons who own any interest in the mineral estate of the tracts to be pooled, except owners of overriding royalty interest) according to the information and belief of the Applicant are set forth in Exhibit B 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. Pooling all interests in an approximate 160-acre horizontal wellbore spacing unit established for the Application Lands for the development and operation of the Codell Formation, with the pooling order made effective as of the date of this Application.
- B. 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 §34-60-116(6) & (7), C.R.S., and made subject to the cost recovery provisions thereof.
- C. For such other findings and orders as the Commission may deem proper or advisable in the premises.

DATED this day of July, 2014.

Respectfully submitted,

ENCANA OIL & GAS (USA) INC. acting by and through its authorized agent, Encana Services Company, Ltd.

By

Robert A. Willis (Colorado Bar No. 26038)

Jillian Fulcher (Colorado Bar No. 45010)

Beatty & Wozniak P.C.

Beatty & Wozniak, P.C. Attorneys for Applicant 216 16th Street, Suite 1100 Denver, Colorado 80202

(303) 407-4499 rwillis@bwenergylaw.com jfulcher@bwenergylaw.com

Address of Applicant
Encana Oil & Gas (USA) Inc.
ATTN: Jessica Sellyei
307 17th Street, Suite 1700
Denver, Colorado 80202

VERIFICATION

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

Jessica Sellyei, Land Negotiator for Encana Oil & Gas (USA) Inc., upon oath deposes and says that she has read the foregoing Application and that the statements contained therein are true to the best of her knowledge, information and belief.

ENCANA OIL & GAS (USA) INC. acting by and through its authorized agent, Encana Services Company, Ltd.

Jessica Sellyei

Subscribed and sworn to before me this _____ day of July, 2014, by Jessica Sellyei, Land Negotiator for Encana Oil & Gas (USA) Inc.

Witness my hand and official seal.

My commission expires: 9-27-2017

JENNIFER PITTENGER
A Tary Public

Votary 2 22 134062771

My Commission Expires Sep 27, 2017

Notary Public

T3N, R68W & T3N, R69W Weld County

Application lands -

Exhibit A Application Map

-			
17 	20	29	31
18 T3N, R68W	19	30	30
13 13 169W	24		36
14 T3N, R69W	733		35
15	22	27	34

EXHIBIT B

INTERESTED PARTIES

The names and addresses of the interested parties (persons who own any interest in the mineral estate of the tracts to be pooled, except owners of overriding royalty interest) according to the information and belief of the Applicant are set forth in this <u>Exhibit B</u>.

Encana Oil & Gas (USA) Inc. 307 17th Street, Suite 1700 Denver, Colorado 80202 Beatty & Wozniak, P.C. 216 16th Street, Suite 1100 Denver, Colorado 80202

Philip Charles Benedict and Joanne Baldwin 14753 Weld County Road 3 Longmont, CO 80504 Roger M. Charlton 308 Linden St. Frederick, CO 80530

Sue Ellen M. Charlton 308 Linden St. Frederick, CO 80530 Stephen E. and Cheryl D. Cristanelli 14601 County Road 3 Longmont, CO 80504

Thomas Allan Dixon, Amy Elizabeth Sharp, and Sarah A. Sharp 161 Henson Dr. Longmont, CO 80504 Thomas Allan Dixon and Amy Elizabeth Sharp 14506 County Road 1 Longmont, CO 80504

George R. and Darlene F. Hobbs 10270 Duck Lane Nampa , ID 83686

Ronald A. Grande and Carolyn L. Grande 14696 Weld County Road 3 Longmont, CO 80504

Matthew A. and Virginia Guderjahn 14537 Sandra Jeans Way Longmont, CO 80504 Kermit O. Bohrer Trust 14671 Weld County Road 3 Longmont, CO 80504

Kerr-McGee Oil & Gas Onshore LP 1099 18th Street, Suite 1800 Denver, CO 80202 James L. McFarling and Faith A. McFarling 14617 Sandra Jeans Way Longmont, CO 80504

John C. Murino and Brenda A. Meether 14501 Weld County Road 3 Longmont, CO 80504

Sandra's Vista Homeowners' Association, Inc. P.O. Box 26 Mead, CO 80542

The Thomas E. Foster Living Trust and The Rachel C. Foster Living Trust 14512 County Road 1, Weld County, CO 80504

Donald P. and Sally J. Thurman, 14595 Sandra Jeans Way Longmont, CO 80504

TOP Operating Co. 3609 S. Wadsworth Blvd., Suite 340 Lakewood, CO 80235 Steve and Marilyn Uilk 14749 Weld County Road 3 Longmont, CO 80504

Peter L. and Doreen F. VanHooker 14600 Sandra Jeans Way Longmont, CO 80504 Noble Energy, Inc. 1625 Broadway, Suite 220 Denver, CO 80202

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

IN THE MATTER OF AN APPLICATION BY ENCANA) OIL & GAS (USA) INC. FOR AN ORDER POOLING ALL) CAUSE NO INTERESTS IN AN APPROXIMATE 160-ACRE) ESTABLISHED HORIZONTAL WELLBORE SPACING) UNIT LOCATED IN SECTION 19, TOWNSHIP 3) NORTH, RANGE 68 WEST, 6 TH P.M., FOR THE) DEVELOPMENT/OPERATION OF THE CODELL) FORMATION, WATTENBERG FIELD, WELD COUNTY,) COLORADO)						
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 Encana Oil & Gas (USA) Inc., and on or before July18, 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.						
Jewa L Peters Notary Public						

TERESA L. PETERSON

NOTARY PUBLIC
STATE OF COLORADO

NOTARY ID 19894002026

MY COMMISSION EXPIRES OCT.4, 2017