

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 TWO APPROXIMATE 317.23-ACRE)
ESTABLISHED HORIZONTAL WELLBORE SPACING) DOCKET NO. *To be assigned*
UNITS LOCATED IN CERTAIN PORTIONS OF SECTION 31,)
TOWNSHIP 4 NORTH, RANGE 68 WEST, 6TH P.M. AND)
SECTION 6, TOWNSHIP 3 NORTH, RANGE 68 WEST, 6TH)
P.M., FOR THE DEVELOPMENT/OPERATION OF THE)
CODELL AND NIOBRARA FORMATIONS, WATTENBERG)
FIELD, WELD COUNTY, COLORADO)

APPLICATION

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 two approximate 317.23-acre horizontal wellbore spacing units established for certain portions of Section 31, Township 4 North, Range 68 West, 6th P.M. and Section 6, Township 3 North, Range 68 West, 6th P.M., for development and operation of the Codell and Niobrara Formations, as applicable. 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 4 North, Range 68 West, 6th P.M.

Section 31: SW $\frac{1}{4}$ SW $\frac{1}{4}$ (S $\frac{1}{2}$ of Lot 2), SE $\frac{1}{4}$ SW $\frac{1}{4}$ (S $\frac{1}{2}$ of Lot 1), S $\frac{1}{2}$ SE $\frac{1}{4}$

Township 3 North, Range 68 West, 6th P.M.

Section 6: N $\frac{1}{2}$ N $\frac{1}{2}$ (Lot 2)

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. for the production of oil, gas and associated hydrocarbons from the Codell and Niobrara Formations.

4. Pursuant to Rule 318A., Applicant designated an approximate 320-acre horizontal wellbore spacing unit, comprised of the Application Lands, for the Drieth 1A-6H-A368 well (API No. 05-123-37586) for production of oil, gas and associated hydrocarbons from the Niobrara 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. Pursuant to Rule 318A., Applicant also designated an approximate 320-acre horizontal wellbore spacing unit, comprised of the Application Lands, for the Drieth 1B-6H-A368 well (API No. 05-123-37585) 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.

6. The Drieth 1A-6H-A368 well and the Drieth 1B-6H-A368 well are hereinafter referred to as the "Subject Wells."

7. 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 two approximate 317.23-acre horizontal wellbore spacing units established for the Application Lands for the development and operation of the Codell and Niobrara Formations, as applicable.

8. Applicant requests that the pooling order entered as a result of this Application be made effective as of the date of this Application.

9. 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 Subject Wells, are made subject to the cost recovery provisions of §34-60-116(7), C.R.S.

10. 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.

11. 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.

12. 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 two approximate 317.23-acre horizontal wellbore spacing units established for the Application Lands for the development and operation of the Codell and Niobrara Formations, 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 Subject Wells, 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 17 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.

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.

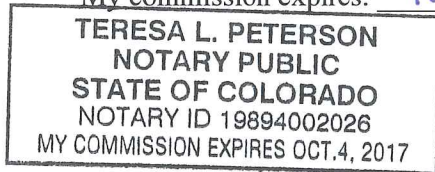


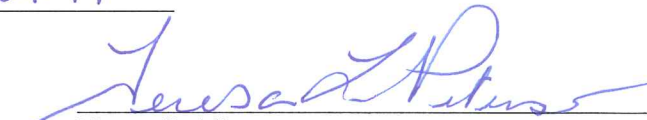
Jessica Sellyei

Subscribed and sworn to before me this 17th day of July, 2014, by Jessica Sellyei, Land
Negotiator for Encana Oil & Gas (USA) Inc.

Witness my hand and official seal.

My commission expires: 10-04-17





Notary Public

T4N, R68W & T3N, R68W
Weld County

Exhibit A
Application Map



Application lands -

26	25	30	29	28
			T4N, R68W	
35	36	31	32	33
2	1	6	5	4
			T3N, R68W	
11	12	7	8	9

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 Exhibit B.

Encana Oil & Gas (USA) Inc.
370 17th Street, Suite # 1700
Denver, CO 80202

Noble Energy, Inc
1625 Broadway, Suite # 2200
Denver, CO 80202

Sundance Energy, Inc.
380 Interlocken Crescent,
Suite # 601
Broomfield, CO 80021

Anita Frey, PR
Estate of Edith C. Brooks
6465 W. 38th Avenue, Apt 105
Wheatridge, CO 80033

Austin Peterson
336 Grant Street # 501
Denver, CO 80203

Abraham L. & Delores A. Drieth
17875 WCR 3
Berthoud, CO 80513

Homer Royalty LLC
PO Box 894
Wheatridge, CO 80034

Anadarko E&P Company LP &
Anadarko Land Corp.
1099 18th Street, Suite # 1800
Denver, CO 80202

Estate of Wilma Brooke Myhre,
deceased Heir apparent:
Brooke A. Myhre
1439 Rosecrest Terrace
San Jose, CA 95126

John S. Willey
204 Elm Street
Windsor, CO 80550

Marylen Willey Lyons aka
Marilyn Willey Lyons
3745 W. 102nd Avenue
Westminster, CO 80031

Ish Reservoir
PO Box 159
Johnstown, CO 80531

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

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FIELD, WELD COUNTY, COLORADO)

AFFIDAVIT OF MAILING

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

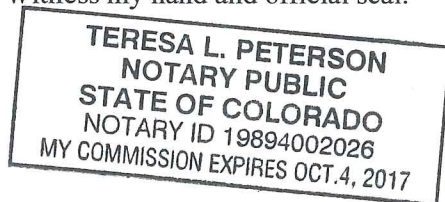
Jennifer Pittenger, of lawful age, and being first duly sworn upon her oath, states and declares:

That she is a Legal Assistant at Beatty & Wozniak, P.C., attorneys for Encana Oil & Gas (USA) Inc., and on or before July 24, 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 17th day of July, 2014.

Witness my hand and official seal.




Notary Public