

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

IN THE MATTER OF AN APPLICATION BY BILL )	
BARRETT CORPORATION FOR AN ORDER )	CAUSE NOS. 407 & 535
ESTABLISHING A 320-ACRE DRILLING AND SPACING )	
UNIT FOR E½ OF SECTION 25, TOWNSHIP 6 NORTH, )	DOCKET NO. <i>To be assigned</i>
RANGE 62 WEST, 6 <sup>TH</sup> P.M., FOR HORIZONTAL WELL )	
DEVELOPMENT OF THE NIOBRARA FORMATION, AND )	
APPROVE ADDITIONAL HORIZONTAL WELLS FOR THE )	
320-ACRE DRILLING AND SPACING UNIT ESTABLISHED )	
FOR THE W½ OF SAID SECTION 25, FOR PRODUCTION )	
FROM THE NIOBRARA FORMATION, WATTENBERG )	
FIELD, WELD COUNTY, COLORADO )	

APPLICATION

Bill Barrett Corporation ("BBC" 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: (1) establishing an approximate 320-acre drilling and spacing unit for the E½ of Section 25, Township 6 North, Range 62 West, 6<sup>th</sup> P.M., and authorizing the drilling of eight (8) horizontal wells within the proposed unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation; and (2) authorizing the drilling of an additional seven (7) horizontal wells, for a total of up to eight (8) horizontal wells, for the 320-acre drilling and spacing unit established for the W½ of said Section 25, for the production of oil, gas and associated hydrocarbons from the Niobrara 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 majority leasehold interests in the below-listed lands:

Township 6 North, Range 62 West, 6<sup>th</sup> P.M.  
Section 25: All

A map depicting the acreage comprising the Application Lands is attached hereto and marked as Exhibit A.

3. On or about February 22, 2011, the Commission entered Order Nos. 407-779 and 535-4 (corrected on April 4, 2013) which, among other things, established 640-acre drilling and spacing units for certain lands, including Section 25, Township 6 North, Range 62 West, 6<sup>th</sup> P.M., and approved one horizontal well for each unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

*Establishing an Approximate 320-acre Drilling Unit for the E½ of Section 25, Township 6 North, Range 62 West, 6<sup>th</sup> P.M., for the Niobrara Formation*

4. On or about March 25, 2013, the Commission entered Order Nos. 407-769 and 535-303 which, among other things, vacated those portions of Order Nos. 407-779 and 535-4 which established an approximate 640-acre drilling and spacing unit for Section 25, Township 6 North, Range 62 West, 6<sup>th</sup> P.M., and caused the E½ of said Section 25, to be unspaced and revert to Rule 318A. for well location, spacing and unit designation, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

5. 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 Cretaceous Age Formations from the base of the Dakota Formation to the surface. Rule 318A. supersedes all prior Commission drilling and spacing orders affecting well location and density requirements of Greater Wattenberg Area wells. On December 5, 2005, Rule 318A. was amended, among other things, 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, among other things, to address drilling of horizontal wells. The E½ of Section 25, Township 6 North, Range 62 West, 6<sup>th</sup> P.M., is subject to certain aspects of this Rule for the Niobrara Formation..

6. Applicant requests the Commission establish an approximate 320-acre drilling and spacing unit for the E½ of Section 25, Township 6 North, Range 62 West, 6<sup>th</sup> P.M., for production of oil, gas and associated hydrocarbons from the Niobrara Formation, pursuant to Rule 503.b.(1) and §34-60-116(2), C.R.S. For the E½ of said Section 25, 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 Niobrara Formation.

7. Applicant requests it be authorized to drill and complete up to eight (8) horizontal wells in the approximate 320-acre drilling and spacing unit proposed for the E½ of Section 25, Township 6 North, Range 62 West, 6<sup>th</sup> P.M., for the production of oil, gas and associated hydrocarbons from the Niobrara 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.

*Authorization to Drill Additional Wells in the 320-acre Drilling Unit Established for the W½ of Section 25, Township 6 North, Range 62 West, 6<sup>th</sup> P.M., for the Niobrara Formation*

8. On or about March 25, 2013, the Commission entered Order Nos. 407-769 and 535-303 which, among other things, vacated those portions of Order Nos. 407-779 and 535-4 which established an approximate 640-acre drilling and spacing unit for Section 25, Township 6 North, Range 62 West, 6<sup>th</sup> P.M., and established an approximate 320-acre drilling and spacing unit for the W½ of said Section 25, and approved one horizontal well for within the unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

9. Applicant requests it be authorized to drill and complete an additional seven (7) horizontal wells, for a total of up to eight (8) horizontal wells in the approximate 320-acre drilling and spacing unit for the W½ of Section 25, Township 6 North, Range 62 West, 6<sup>th</sup> P.M., for the production of oil, gas and associated hydrocarbons from the Niobrara 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. For the W½ of said Section 25, the established 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 Niobrara Formation

\* \* \*

10. Applicant states that, for any permitted wells to be drilled under this Application, the treated intervals of the wellbore should be not less than 460 feet from the unit boundaries with an inter-well setback of not less than 150 feet from the treated interval of a well producing from the Niobrara Formation, without exception being granted by the Director.

11. Applicant states that any horizontal wells to be drilled under this Application will be drilled from no more than five (5) multi-well pads on the surface of Section 25, Township 6 North, Range 62 West, 6<sup>th</sup> P.M., or on adjacent lands with consent of the landowner, without exception being granted by the Director.

12. 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.

13. 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.

14. That the names and addresses of the interested parties (owners within Section 25, Township 6 North, Range 62 West, 6<sup>th</sup> P.M.) 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. Establishing an approximate 320-acre drilling and spacing unit for the E½ of Section 25, Township 6 North, Range 62 West, 6<sup>th</sup> P.M., and authorizing the drilling of up to eight (8) horizontal wells within the proposed unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation, with the treated intervals of the wellbore of any permitted wells to be located not less than 460 feet from the outer boundary of the proposed unit and not less than 150 feet from the treated interval of any well being drilled or producing from the Niobrara Formation, without exception being granted by the Director.

B. Authorizing the drilling of up to an additional seven (7) wells, for a total of up to eight (8) horizontal wells, for the approximate 320-acre drilling and spacing unit established for the W½ of Section 25, Township 6 North, Range 62 West, 6<sup>th</sup> P.M., for the production of oil, gas and associated hydrocarbons from the Niobrara Formation, with the treated intervals of the wellbore of any permitted wells to be located not less than 460 feet from the outer boundary of the proposed unit and not less than 150 feet from the treated interval of any well being drilled or producing from the Niobrara Formation, without exception being granted by the Director.

C. Requiring that any permitted wells to be drilled under this Application should be drilled from no more than five (5) multi-well pads on the surface of Section 25, Township 6 North, Range 62 West, 6<sup>th</sup> P.M., or on adjacent lands with consent of the landowner, without exception being granted by the Director.

D. 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.

E. For such other findings and orders as the Commission may deem proper or advisable in the premises.

DATED this 26<sup>th</sup> day of August, 2014.

Respectfully submitted,

**BILL BARRETT CORPORATION**

By: 

Robert A. Willis (Colorado Bar No. 26308)

Jillian Fulcher (Colorado Bar No. 45010)

Attorneys for Applicant

Beatty & Wozniak, P.C.

216 16th St., Suite 1100

Denver, CO 80202

(303) 407-4499

rwillis@bwenergylaw.com

jfulcher@bwenergylaw.com

Kenneth A. Wonstolen

Senior Vice-President & General Counsel

Bill Barrett Corporation

Applicant's Address:

Bill Barrett Corporation

Colleen Kennedy, Land Manager

1099 18<sup>th</sup> Street, Suite 2300

Denver, CO 80202

VERIFICATION

STATE OF COLORADO

)


) ss.

CITY & COUNTY OF DENVER

)

Colleen Kennedy, Land Manager for Bill Barrett Corporation, 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.

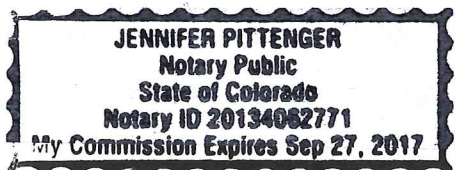
BILL BARRETT CORPORATION


  
Colleen Kennedy

Subscribed and sworn to before me this 28 day of August, 2014, by Colleen Kennedy, Land Manager for Bill Barrett Corporation.

Witness my hand and official seal.

My commission expires: 9-27-2017



  
Notary Public

T6N, R62W  
Weld County

**Exhibit A**  
Application Map

Application lands - 

21	22	23	24	19
		<b>T6N, R62W</b>		
28	27	26	25	30
33	34	35	36	31
4	3	2	1	6
		<b>T5N, R62W</b>		

## EXHIBIT B

### INTERESTED PARTIES

The names and addresses of the interested parties (owners within Section 25, Township 6 North, Range 62 West, 6<sup>th</sup> P.M.) according to the information and belief of the Applicant are set forth in this Exhibit B.

Bill Barrett Corporation  
1099 18<sup>th</sup> Street, Suite 2300  
Denver, CO 80202

Robert A. Willis  
Beatty & Wozniak, P.C.  
216 16<sup>th</sup> St., Suite 1100  
Denver, CO 80202

Colorado Land Services  
1051 D West Highway 34  
Loveland, CO 80537

Estate of Marion Leslie Westerstrom, decd.  
c/o Myrned Erickson  
Colorado Attorney General Office  
1300 Broadway Floor 10  
Denver, CO 80203

Catherine E. Degler  
P. O. Box 308  
Glenville, CA 93226

David Bauer  
Weld County  
1111 H Street  
Greeley, CO 80632

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

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

IN THE MATTER OF AN APPLICATION BY BILL )  
BARRETT CORPORATION FOR AN ORDER ) CAUSE NOS. 407 & 535  
ESTABLISHING A 320-ACRE DRILLING AND SPACING )  
UNIT FOR E½ OF SECTION 25, TOWNSHIP 6 NORTH, ) DOCKET NO. *To be assigned*  
RANGE 62 WEST, 6<sup>TH</sup> P.M., FOR HORIZONTAL WELL )  
DEVELOPMENT OF THE NIOBRARA FORMATION, AND )  
APPROVE ADDITIONAL HORIZONTAL WELLS FOR THE )  
320-ACRE DRILLING AND SPACING UNIT ESTABLISHED )  
FOR THE W½ OF SAID SECTION 25, FOR PRODUCTION )  
FROM THE NIOBRARA FORMATION, WATTENBERG )  
FIELD, WELD COUNTY, COLORADO )

AFFIDAVIT OF MAILING

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

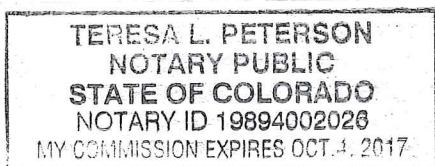
Jennifer Pittenger, of lawful age, and being first duly sworn upon her oath, states and declares:

That she is a Legal Assistant at Beatty & Wozniak, P.C., attorneys for Bill Barrett Corporation, and on or before September 4<sup>th</sup>, 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 08 day of August, 2014.

Witness my hand and official seal.



  
Notary Public