

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

IN THE MATTER OF THE **AMENDED**)
APPLICATION OF EXTRACTION OIL & GAS,)
LLC FOR AN ORDER ESTABLISHING **ONE**)
APPROXIMATE 1241.92-ACRE AND ONE)
APPROXIMATE 1280-ACRE DRILLING AND)
SPACING UNIT AND ESTABLISHING WELL)
LOCATION RULES APPLICABLE TO THE)
DRILLING AND PRODUCING OF WELLS FROM)
THE CODELL FORMATION COVERING LANDS)
IN TOWNSHIP 12 NORTH, 61 WEST, 6TH P.M.)
AND TOWNSHIP 10 NORTH, RANGE 67 WEST,)
6TH P.M., WELD COUNTY, COLORADO.)

Cause NO. 535

Docket NO. 1412-SP-2199

Intake NO. 57

AMENDED APPLICATION

Extraction Oil & Gas, LLC ("Applicant" or "Extraction"), by and through its attorneys, Welborn Sullivan Meck & Tooley, P.C., respectfully submits this **Amended** Application to the Oil and Gas Conservation Commission of the State of Colorado ("Commission") for an order establishing **one approximate 1241.92-acre and one 1280-acre** drilling and spacing unit and establishing well location rules applicable to the drilling of wells and producing of oil and gas from the Codell Formation covering certain lands in Weld County, Colorado. In support of its **Amended** Application, Applicant states as follows:

1. Applicant owns leasehold interests in the following lands ("Application Lands"):

Township 12 North, Range 61 West, 6th P.M. (DSU #1)
Section 20: All (**only those lands lying within the State of Colorado, approx. 601.92 acres**)

Section 29: All

Township 10 North, Range 67 West, 6th P.M. (DSU #2)

Section 5: All

Section 8: All

A reference map of the Application Lands is attached hereto.

2. Rule 318.a. provides that a well drilled in excess of 2,500 feet in depth 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 source of supply, unless authorized by order of the Commission upon hearing. The Application Lands are subject to this Rule.

3. On August 12, 2010, the Commission entered Order No. 535-2, which established 145 approximate 640-acre drilling and spacing units and approved one horizontal well within each unit for the production of oil, gas and associated hydrocarbons from the Codell and Niobrara Formations. Sections 5 and 8, Township 10 North, Range 67 West, 6th P.M. are subject to this Order.

4. The Codell Formation is a common source of supply under the Application Lands.

5. To promote efficient drainage of the Codell Formation within the Application Lands and to avoid waste, the Commission should vacate Order No. 535-2 only as it pertains to **the Codell Formation in Sections 5 and 8, Township 10 North, Range 67 West, 6th P.M. and establish two drilling and spacing units of approximately 1241.92 acres and 1280 acres covering Sections 20 and 29, Township 12 North, Range 61 West, 6th P.M. (DSU #1) and Sections 5 and 8, Township 10 North, Range 67 West, 6th P.M. (DSU #2), respectively.**

6. The above-proposed drilling and spacing units will allow efficient drainage of the Codell Formation, will prevent waste, will not adversely affect correlative rights, and will assure the greatest ultimate recovery of oil, gas and associated hydrocarbon substances from the Codell Formation. The proposed drilling and spacing units are not smaller than the maximum area that can be economically and efficiently drained by the proposed wells in such drilling and spacing units. Applicant further maintains that a well drilled in the above-proposed drilling and spacing units will have no adverse effect on correlative rights of adjacent owners.

7. Applicant requests that the order authorize the drilling and completion of one (1) horizontal Codell well in each of the approximate **1241.92-acre and 1280-acre** drilling and spacing units described above, with the option to drill and complete up to four (4) wells in each of the drilling and spacing units with the surface location to be located at a legal location in the above described drilling and spacing units or on adjacent lands. Applicant further requests that the treated interval of each wellbore be no closer than 600 feet from the treated interval of any other wellbore producing from the Codell Formation, and no closer than 300 feet from a unit boundary unless such boundary abuts or corners lands for which the Commission has not at the time of the drilling permit application granted the right to locate the treated interval of the wellbore no closer than 300 feet from a unit boundary. If the Commission has not at the time of the drilling permit application granted to the owners of the adjacent or cornering lands the right to locate the treated interval of the wellbore no closer than 300 feet from a unit boundary, then the treated interval of the wellbore shall be located no closer than the distance permitted in the adjacent or cornering lands, without exception being granted by the Director.

8. Applicant requests authority to drill only those wells necessary to determine the well density which allows the most efficient drainage of the Codell Formation, prevents waste, does not adversely affect correlative rights, and assures the greatest ultimate recovery of oil, gas and associated hydrocarbon substances from the Codell Formation. The proposed drilling and spacing units are not smaller than the maximum area that can be economically and efficiently drained by the proposed wells in such drilling and spacing units. Applicant further maintains that

wells drilled in the above-proposed drilling and spacing units will have no adverse effect on correlative rights of adjacent owners.

9. The names and addresses of the interested parties according to the information and belief of the Applicant are set forth in Amended Exhibit A attached hereto and made a part hereof, and the undersigned certifies that copies of the original Application shall be served on each interested party 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 consistent with Applicant's proposals as set forth above.

Dated this ____ day of November, 2014.

Respectfully submitted,
WELBORN SULLIVAN MECK & TOOLEY, P.C.

By: _____
Joseph C. Pierzchala
Stephen J. Sullivan
Welborn Sullivan Meck & Tooley, P.C.
Attorneys for Applicant
1125 - 17th Street, Suite 2200
Denver, CO 80202
303-830-2500

Applicant's Address:

1888 Sherman Street, Suite 200
Denver, CO 80203

Attn: Allyson Vistica, Land Manager
Phone: 720-382-5228

VERIFICATION

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

Allyson Vistica, Land Manager with Extraction Oil & Gas, LLC, 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.

EXTRACTION OIL & GAS, LLC

Allyson Vistica, Land Manager

Subscribed and sworn to before me this _____ day of November, 2014 by Allyson Vistica, Land Manager for Extraction Oil & Gas, LLC.

Witness my hand and official seal.

Notary Public
My Commission Expires: _____

AMENDED EXHIBIT A

INTERESTED PARTIES

R.K. Pinson & Associates, LLC
621 17th Street, Suite 1555
Denver, CO 80293

Chesapeake Exploration
6100 N. Western Ave.
Oklahoma City, OK 73118

Lincoln Energy, LLC
1800 Glenarm Place, Ste. 703
Denver, CO 80202

Kent Kuster
Oil & Gas Consultant Coordinator
CDPHE
4300 Cherry Creek Drive South
Denver, CO 80246-1500

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

Tom Parko
Weld County
1555 North 17th Street
Greeley, CO 80631

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AMENDED AFFIDAVIT OF MAILING

STATE OF COLORADO §
CITY AND COUNTY OF DENVER §

I, Joseph C. Pierzchala, of lawful age, and being first duly sworn upon my oath, state and declare:

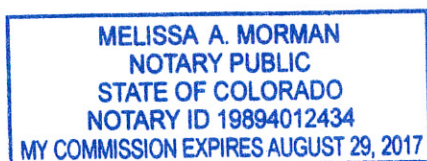
That I am the attorney for Extraction Oil & Gas, LLC and that on or before November 17, 2014, I caused a copy of the attached **Amended** Application to be deposited in the United States mail, postage prepaid, addressed to the parties on the Amended Exhibit A to the **Amended** Application.

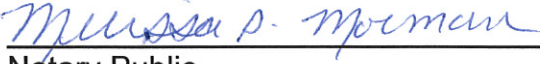


Joseph C. Pierzchala

Subscribed and sworn to before me December 21, 2014.

Witness my hand and official seal.





Notary Public
My commission expires: 8/29/2017