

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

IN THE MATTER OF AN APPLICATION BY ANADARKO )  
E&P ONSHORE LLC FOR AN ORDER VACATING 640- ) CAUSE NOS. 421 & 535  
ACRE DRILLING AND SPACING UNITS ESTBLISHED FOR )  
SECTION 31, TOWNSHIP 12 NORTH, RANGE 63 WEST, 6<sup>TH</sup> ) DOCKET NO. *To be assigned*  
P.M. AND SECTION 6, TOWNSHIP 11 NORTH, RANGE 63 )  
WEST, 6<sup>TH</sup> P.M., AND ESTABLISHING 1,285.19-ACRE )  
DRILLING AND SPACING UNIT FOR SECTION 31, )  
TOWNSHIP 12 NORTH, RANGE 63 WEST, 6<sup>TH</sup> P.M. AND )  
SECTION 6, TOWNSHIP 11 NORTH, RANGE 63 WEST, 6<sup>TH</sup> )  
P.M., **FOR HORIZONTAL WELL DEVELOPMENT OF** )  
**THE NIOBRARA FORMATION, UNNAMED FIELD, WELD** )  
COUNTY, COLORADO )

**AMENDED APPLICATION**

Anadarko E&P Onshore LLC (“Anadarko” or “Applicant”), by and through its attorneys, Beatty & Wozniak, P.C., respectfully submits this **AMENDED** Application to the Oil and Gas Conservation Commission of the State of Colorado (the “Commission”) for an order: **(1)** vacating the approximate 640-acre drilling and spacing units established for Section 31, Township 12 North, Range 63 West, 6<sup>th</sup> P.M. and Section 6, Township 11 North, Range 63 West, 6<sup>th</sup> P.M., for production of oil, gas and associated hydrocarbons produced from the Niobrara Formation; and **(2)** establishing an approximate 1,285.19-acre drilling and spacing unit for said Sections 31 and 6, and authorizing the drilling of one horizontal well within the proposed unit, 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 12 North, Range 63 West, 6<sup>th</sup> P.M.

Section 31: Lot 1 (39.82 acres), Lot 2 (40.10 acres), Lot 3 (40.38 acres), Lot 4 (40.66 acres), E½W½, E½ [All]

Township 11 North, Range 63 West, 6<sup>th</sup> P.M.

Section 6: Lot 1 (40.49 acres), Lot 2 (40.35 acres), Lot 3 (40.21 acres), Lot 4 (40.86 acres), Lot 5 (40.78 acres), Lot 6 (40.78 acres), Lot 7 (40.76 acres), SE¼NW¼, S½NE¼, E½SW¼, SE¼ [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 Exhibit A.

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 Niobrara Formation.

*Vacating the 640-acre Drilling Units Established for Section 31, Township 12 North, Range 63 West, 6<sup>th</sup> P.M. and Section 6, Township 11 North, Range 63 West, 6<sup>th</sup> P.M., for the Niobrara Formation*

4. On or about October 21, 2010, the Commission entered Order No. 421-3 which, among other things, established 640-acre drilling and spacing units for certain lands, including the Application Lands, and approved one horizontal well for each unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

5. Applicant requests the Commission vacate the approximate 640-acre drilling and spacing units previously established for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation. This request is made to allow for horizontal well development of the Application Lands with horizontal wellbores with long laterals which will cross the section line between the Application Lands, leading to more economical and efficient recovery of the resources, while minimizing surface impacts, creating efficiencies for drilling and production, increasing the ultimate recovery of the reserves, preventing waste, and protecting correlative rights.

*Establishment of a 1,285.19-acre Drilling Unit for Horizontal Well Development of the Niobrara Formation*

6. Applicant requests the Commission establish the Application Lands as an approximate 1,285.19-acre drilling and spacing unit for the Niobrara 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 well proposed to be drilled under this Application and completed in the Niobrara Formation.

7. Applicant requests the Commission establish the Application Lands as an approximate 1,285.19-acre drilling and spacing unit for the Niobrara 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 well proposed to be drilled under this Application and completed in the Niobrara Formation.

8. Applicant states that, for any permitted well to be drilled under this Application, the treated intervals of the wellbore should be not less than 600 feet from the proposed unit boundaries, without exception being granted by the Director.

\* \* \*

9. Applicant states that any horizontal well 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.

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 being bound by said oral order.

12. That the names and addresses of the interested parties (owners within the proposed drilling unit) 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 1,285.19-acre drilling and spacing unit for the Application Lands, and authorizing the drilling of one horizontal well 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 well to be located not less than 600 feet from the outer boundary of the proposed unit, 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.

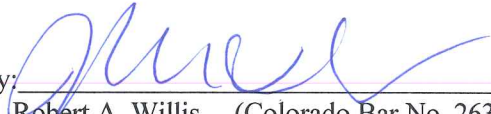
C. Providing that relief granted under this Application be effective on oral order by the Commission, relying on the Applicant's desire to be bound by said oral order.

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

DATED this 18<sup>th</sup> day of November, 2014.

Respectfully submitted,

ANADARKO E&P ONSHORE LLC

By:   
Robert 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:

Anadarko E&P Onshore LLC  
Jason Rayburn, Landman  
1099 18<sup>th</sup> Street  
Denver, CO 80202

VERIFICATION

STATE OF COLORADO

)

) ss.

CITY & COUNTY OF DENVER

)

Jason Rayburn, Landman for Anadarko E&P Onshore LLC, upon oath deposes and says that he has read the foregoing **AMENDED** Application and that the statements contained therein are true to the best of his knowledge, information and belief.

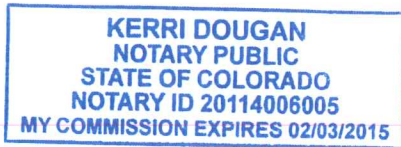
ANADARKO E&P ONSHORE LLC

\_\_\_\_\_  
Jason Rayburn

Subscribed and sworn to before me this 18<sup>th</sup> day of November, 2014, by Jason Rayburn, Landman for Anadarko E&P Onshore LLC.

Witness my hand and official seal.

My commission expires: 02/03/2015



Kerri Dougan  
Notary Public

**Exhibit A**  
Application Map  
(map not to scale)

T12N, R63W and T11N, R63W  
Weld County

Application Lands - 

30	29	28	27	26
31	32	33	34	35
6	5	4	3	2
7	8	9	10	11