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

IN THE MATTER OF THE APPLICATION OF NOBLE ENERGY, INC., FOR AN ORDER TO ESTABLISH AN APPROXIMATE 1120-ACRE DRILLING AND SPACING UNIT AND ESTABLISHING WELL LOCATION RULES THE CODELL FOR AND **NIOBRARA** FORMATIONS IN SECTIONS 7 AND 18. TOWNSHIP 6 NORTH, RANGE 65 WEST, 6TH P.M., AND **SECTIONS** 12 AND TOWNSHIP 6 NORTH, RANGE 66 WEST, 6TH P.M., WATTENBERG AND EATON FIELDS, WELD COUNTY, COLORADO

Cause No.

Docket No.

APPLICATION

COMES NOW Noble Energy, Inc. (Operator No. 100322) ("Noble" or "Applicant"), by and through its attorneys, Jost & Shelton Energy Group, P.C., and makes this application to the Oil and Gas Conservation Commission of the State of Colorado ("Commission") for an order establish an approximate 1120-acre drilling and spacing unit and authorizing up to nine (9) horizontal wells in order to efficiently and economically recover the oil, gas and associated hydrocarbons within said 1120-acre drilling and spacing unit from the Codell and Niobrara Formations underlying the below-described lands. 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 is a registered operator in good standing with the Commission.
- 2. Applicant owns leasehold interests or holds the right to operate on the following lands:

Township 6 North, Range 65 West, 6th P.M.

Section 7: SW1/4NE1/4, S1/2NW1/4, SW1/4, W1/2SE1/4

Section 18: N½NW¼, NW¼NE¼

Township 6 North, Range 66 West, 6th P.M.

Section 12: S½N½, S½

Section 13: N½N½

1,120 acres, more or less, Weld County, Colorado. (hereinafter "Application Lands")

A reference map of the Application Lands is 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 the drilling of horizontal wells.
- 4. On February 19, 1992, the Commission entered Order No. 407-87 (amended August 20, 1993) which, among other things, established 80-acre drilling and spacing units for the production of oil, gas and associated hydrocarbons from the Niobrara Formation underlying certain lands, including the Application Lands, with the permitted well locations in accordance with the provisions of Order No. 407-1.
- 5. The records of the Commission reflect that 14 wells are currently producing in the Application Lands. Applicant maintains and confirms that each of the wells listed below shall remain subject to the currently applicable COGCC approved drilling and spacing units and shall not become subject to the proposed approximate 1,120 acre drilling and spacing unit herein.

Name	API No.	Operator	Formation
Haythorn E 7-3	05-123-26438	Noble Energy, Inc.	Codell
Bailey Federal 1	05-123-10934	Noble Energy, Inc.	Codell-Niobrara
Eisenach 12-1G6	05-123-18595	Noble Energy, Inc.	Codell
Eisenach 1	05-123-11860	Bayswater Exploration and Production LLC	Codell
Fagerberg 12-10G6	05-123-18543	Noble Energy, Inc.	Codell
Ottoson I 12-25	05-12329233	Noble Energy, Inc.	Codell
Ottoson I 12-12	05-123-29234	Noble Energy, Inc.	Codell
Southard I 12-06	05-123-29231	Noble Energy, Inc.	Codell
Ottoson 12-14G6	05-123-18233	Noble Energy, Inc.	Codell-Niobrara
Southard 2	05-123-12378	Noble Energy, Inc.	Codell
Farr 2	05-123-12141	Noble Energy, Inc.	Codell
Ottoson 3	05-123-12390	Noble Energy, Inc.	Codell-Niobrara
Moore 1	05-123-12379	Noble Energy, Inc.	Codell
Ottoson 1	05-123-12128	Noble Energy, Inc.	Codell-Niobrara

6. To promote efficient drainage within the Codell and Niobrara Formations of the Application Lands, to protect correlative rights and to avoid waste, the Commission should establish an 1120-acre drilling and spacing unit for horizontal well development on the Application Lands.

- 7. That the above-proposed drilling and spacing unit will allow efficient drainage of the Codell and Niobrara Formations; will prevent waste; will not adversely affect correlative rights and will assure the greatest ultimate recovery of gas and associated hydrocarbon substances from the reservoirs. The unit of the size and shape specified above is not smaller than the maximum area that can be economically and efficiently drained by the proposed wells in the unit.
- 8. That the Applicant is requesting to drill and complete up to nine (9) horizontal wells in order to efficiently and economically recover the oil, gas and associated hydrocarbons from each of the Codell and Niobrara Formations within the 1120-acre drilling and spacing unit composed of the Application Lands and that there will be no adverse effect on correlative rights of adjacent owners.
- 9. The Applicant maintains that there will be no more than two (2) well pads in the unit, unless an exception is granted by the Director.
- 10. The treated interval of each proposed horizontal well shall be no closer than 460 feet from the boundaries of the unit (regardless of the lease lines within the unit) and all horizontal wells shall be no closer than 150 feet from the treated interval of another well producing from the same source of supply within the unit, unless an exception is granted by the Director.
- 11. That establishment of the 1120-acre drilling and spacing unit composed of the Application Lands shall not preclude designation of overlapping wellbore spacing units and/or overlapping horizontal wellbore spacing units pursuant to Commission Rule 318A.
- 12. The undersigned certifies that copies of this Application will be served on each interested party within seven (7) days of the filing hereof, as required by Rule 503.e.

WHEREFORE, Applicant respectfully requests that this matter be set for hearing at the next available opportunity, that notice be given as required by law, and that upon such hearing this Commission enter its order:

- A. Establishing an 1120-acre drilling and spacing unit for horizontal development on the Application Lands and allowing up to nine (9) horizontal wells in the unit in order to efficiently and economically develop and recover the oil, gas and associated hydrocarbons from each of the Codell and Niobrara Formations in the unit.
- B. Providing that the treated interval any horizontal well shall be no closer than 460 feet from the boundaries of the unit and not less than 150 feet from the treated interval of another well within the unit and authorizing two (2) well pads in the unit, unless an exception is granted by the Director.

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

WHEREFORE, Applicant respectfully requests that this matter be set for hearing in January 2015, that notice be given as required by law, and that upon such hearing, the Commission enter its order consistent with Applicant's request as set forth above.

DATED this 17th day of November, 2014.

Respectfully submitted:

NOBLE ENERGY, INC.

By:

Jamie L. Jost James P. Parrot

Jost & Shelton Energy Group, P.C.

Attorneys for Applicant 1675 Larimer St., Suite 420 Denver, Colorado 80202 (720) 379-1812

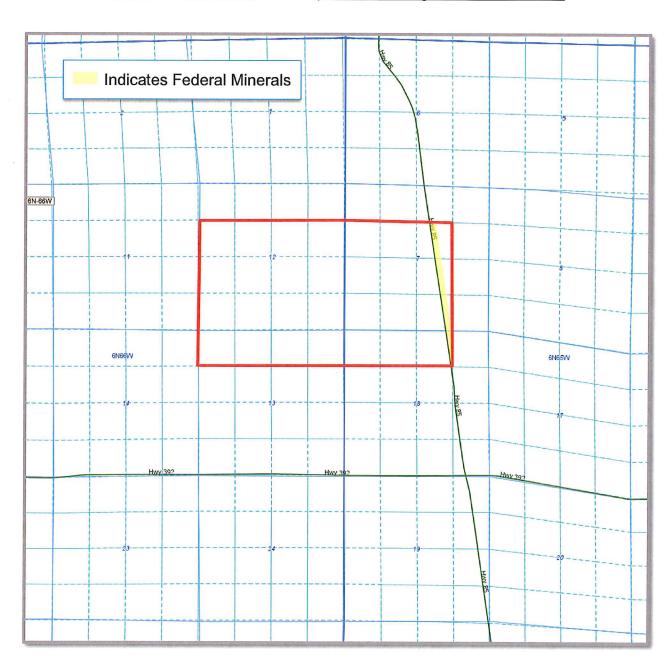
Applicant's Address:
Noble Energy, Inc.
ATTN: Kelli Wilson
1625 Broadway, Suite 2200
Denver, CO 80202

VERIFICATION

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STATE OF COLORADO CITY AND COUNTY OF DENVER)) ss.)
that she is Attorney-In-Fact for Noble	being first duly sworn upon oath, deposes and says Energy, Inc., and that she has read the foregoing in contained are true to the best of her knowledge, Julie T Jenkins Attorney-In-Fact Noble Energy, Inc.
Subscribed and sworn to before me th	is <u>17</u> day of November 2014.
Witness my hand and official seal.	
[SEAL]	
My commission expires: <u>04/30/20</u>	Julet 12
JULIE K. BROWN NOTARY PUBLIC STATE OF COLORADO NOTARY ID # 20094014382 MY COMMISSION EXPIRES APRIL 30, 2017	Notary Public

Reference Map Noble Energy, Inc.

Sections 7 and 18, Township 6 North, Range 65 West, 6th P.M. Sections 12 and 13, Township 6 North, Range 66 West, 6th P.M.



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IN THE MATTER OF THE APPLICATION OF NOBLE ENERGY, INC., FOR AN ORDER TO ESTABLISH AN APPROXIMATE 1120-ACRE DRILLING AND SPACING UNIT ESTABLISHING WELL LOCATION RULES FOR THE CODELL AND **NIOBRARA** FORMATIONS IN SECTIONS 7 AND 18, TOWNSHIP 6 NORTH, RANGE 65 WEST. 6TH P.M., AND **SECTIONS** 12 AND TOWNSHIP 6 NORTH, RANGE 66 WEST, 6TH P.M., WATTENBERG AND EATON FIELDS. WELD COUNTY, COLORADO

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AFFIDAVIT OF MAILING

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

I, James Parrot of lawful age, and being first duly sworn upon my oath, state and declare that I am the attorney for Noble Energy, Inc., and that on or before the 25 day of November, 2014, I caused a copy of the attached Application to be deposited in the United States Mail, postage prepaid, addressed to the parties listed on Exhibit A to the Application.

James Parrot

Subscribed and sworn to before me on this 29 day of November, 2014.

Witness my hand and official seal.

My commission expires:

DANIELLE E CARROLL **Notary Public** State of Colorado Notary ID 20134059312 My Commission Expires Sep 18, 2017

Exhibit A

Tom Schreiner Colorado Parks and Wildlife 6060 Broadway Denver, CO 80526

Ken Kuster Colorado Department of State Health and Environment 4300 Cherry Creek Drive South Denver, CO 80246-1530

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

SW Production Company 1675 Larimer Street, Suite 820 Denver, CO 80202

Bayswater Blenheim Holding II, LLC 730 17th Street, Suite 610 Denver, CO 80205

Bayswater Exploration & Production, LLC 730 17th Street, Suite 610 Denver, CO 80205

Sentry Haythorn #2 Joint Venture PO Box 3364 Greeley, CO 80633

State Department of Highways 4201 E Arkansas Avenue Denver, CO 80222

Bureau of Land Management 2850 Youngfield Street Lakewood, CO 80215

LYNVON, LLC 16645 Weld County Road 70 Greeley, CO 80631 Lynn T. Ottoson & Ellen Yvonne Ottoson 16645 Weld County Road 70 Greeley, CO 80631

John Daryl Ottoson 4474 West Pioneer Drive Greeley, CO 80634

Everett Darwin Ottoson & Margaret J. Ottoson 136 Riverside Drive Bellevue, CO 80512

Debra D. Nauman & Thomas L. Nauman 932 Alexandria Drive Loveland, CO 80538

Joan M. Milne 211 Settlers Cove Eaton, CO 80615

Warren G. Milne 33998 WCR 37 Eaton, CO 80615

Quin M LLC PO Box 22 Lucerne, CO 80646

Haythorn Farms Limited Partnership 14360 WRC 74 Eaton, CO 80615

Melvin Dinner 1814 14th Ave Greeley, CO 80631

Jeffrey L. Beard PO Box 48461 Los Angelos, CA 90048 Ann S. Beard PO Box 994 Solana Beach, CA 92075

Mealdaro, Ltd. 1103 – 9th Ave Greeley, CO 80631

Ryan C. Fagerberg 1106 Crescent Drive Windsor, OC 80550

Paige L. Baessler 1620 Carriage Drive Eaton, CO 80615

Lynn & Leslie Fagerberg 18271 Weld County Road 70 Eaton, CO 80615