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

IN THE MATTER OF THE APPLICATION OF PDC ENERGY, INC. FOR AN ORDER TO POOL ALL INTERESTS IN AN APPROXIMATE 480-ACRE DESIGNATED HORIZONTAL WELLBORE SPACING UNIT IN SECTIONS 22 AND 27, TOWNSHIP 5 NORTH, RANGE 64 WEST, 6TH P.M., FOR THE CODELL FORMATION, WATTENBERG FIELD, WELD COUNTY, COLORADO

CAUSE NO.

DOCKET NO.

APPLICATION

COMES NOW PDC Energy, Inc. (Operator No. 69175) ("PDC" or "Applicant"), by 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 to pool all interests within an approximate 480-acre Wellbore Spacing Unit, as defined below, for the drilling of the Chesnut 27K-421 Well (API No. 05-123-40077) ("Well"), for the development of the Codell Formation on the following described lands:

Township 5 North, Range 64 West, 6th P.M.

Section 22: W½
Section 27: NW¼

480-acres, more or less, Weld County, Colorado. Hereinafter "Application Lands"

In support thereof, 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 certain leasehold interests in the Application Lands.
- 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.

- 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. On March 5, 2012, the Commission entered Order No. 407-575, which among other things, approves the request for an order to pool all interests in an approximate 160-acre wellbore spacing unit consisting of certain lands in Sections 15 and 22, Township 5 North, Range 64 West, 6th P.M., for the development and operation of the Codell and Niobrara Formations. Order No. 407-575 does not affect this Application.
- 6. On April 16, 2012, the Commission entered Order No. 407-615, which among other things, approves the request for an order to pool all interests in an approximate 160-acre wellbore spacing unit consisting of certain lands in Section 22, Township 5 North, Range 64 West, 6th P.M., for the development and operation of the Codell and Niobrara Formations. Order No. 407-615 does not affect this Application.
- 7. On April 16, 2012, the Commission entered Order No. 407-616, which among other things, approves the request for an order to pool all interests in an approximate 160-acre wellbore spacing unit consisting of certain lands in Section 22, Township 5 North, Range 64 West, 6th P.M., for the development and operation of the Codell and Niobrara Formations. Order No. 407-616 does not affect this Application.
- 8. On April 16, 2012, the Commission entered Order No. 407-618, which among other things, approves the request for an order to pool all interests in an approximate 160-acre wellbore spacing unit consisting of certain lands in Section 22, Township 5 North, Range 64 West, 6th P.M., for the development and operation of the Codell and Niobrara Formations. Order No. 407-618 does not affect this Application.
- 9. On April 16, 2012, the Commission entered Order No. 407-619, which among other things, approves the request for an order to pool all interests in an approximate 160-acre wellbore spacing unit consisting of certain lands in Section 22, Township 5 North, Range 64 West, 6th P.M., for the development and operation of the Codell and Niobrara Formations. Order No. 407-619 does not affect this Application.
- 10. On April 16, 2012, the Commission entered Order No. 407-620, which among other things, approves the request for an order to pool all interests in an approximate 160-acre wellbore spacing unit consisting of certain lands in Section 22, Township5 North, Range 64 West, 6th P.M., for the development and operation of the Codell and Niobrara Formations. Order No. 407-620 does not affect this Application.
- 11. Applicant designated the 480-acre Wellbore Spacing Unit for the production of oil, gas, and associated hydrocarbons from the Codell Formation pursuant to Rule 318A and notified the appropriate parties under Rule 318A.

12. Applicant, pursuant to Commission Rule 530 and/or the provisions of C.R.S. § 34-60-116 (6) and (7), hereby requests an order to pool all interests, including but not limited to, any non-consenting interests, in the Application Lands in the Codell Formation underlying the following approximate 480-acre Wellbore Spacing Unit:

Township 5 North, Range 64 West, 6th P.M.

Section 22: W½
Section 27: NW¼

(throughout as "Wellbore Spacing Unit").

- 13. Applicant requests that the Commission's pooling order be made effective as of the earlier of the date of this Application, or the date that the costs specified in C.R.S. § 34-60-116(7)(b) are first incurred for the drilling of the Well to the Codell Formation on the Application Lands.
- 14. Applicant certifies that copies of this Application will be served on all persons owning an interest in the mineral estate of the tracts to be pooled within seven (7) days of the date hereof, as required by Rule 503.e., and that at least thirty-five (35) days prior to the hearing on this matter, each such interest owner not already leased or voluntarily pooled will be offered the opportunity to lease, or to participate in the drilling of the Well, and will be provided with the information required by Rule 530 as applicable. The list of such interested parties is attached hereto as Exhibit A.
- 15. That in order to prevent waste and to protect correlative rights, all interests in the Wellbore Spacing Unit should be pooled for the orderly development of the Codell Formation, including any non-consenting interests therein.

WHEREFORE, Applicant 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, the Commission enter its order:

- A. Pooling all interests in the Application Lands and the Wellbore Spacing Unit for the development of the Codell Formation.
- B. Providing that the Commission's pooling order is made effective as of the earlier of the date of this Application, or the date that any of the costs specified in C.R.S. § 34-60-116(7)(b) are first incurred for the drilling of the Well in the Wellbore Spacing Unit to the Codell Formation on the Application Lands.

- C. 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 Well are pooled by operation of statute, pursuant to C.R.S. § 34-60-116(6) and (7), and made subject to the cost recovery provisions thereof with respect to the Well drilled to develop the Codell Formation in the Wellbore Spacing Unit comprising the Application Lands.
- 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 March 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: December 22, 2014.

Respectfully submitted:

PDC 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:
PDC Energy, Inc.
ATTN: Marie McCord

1775 Sherman Street, Suite 3000

Denver, CO 80203

VERIFICATION

STATE OF COLORADO)
CITY AND COUNTY OF DENVER) ss.)
Sam McClung, of lawful age, being first duly sworn upon oath, deposes and says that she is Regional Landman for PDC Energy, Inc., and that she has read the foregoing Application and that the matters therein contained are true to the best of her knowledge, information and belief.	
	Sam McClung Regional Landman PDC Energy, Inc.
Subscribed and sworn to before me this	day of December, 2014.
Witness my hand and official seal.	
[SEAL]	
My commission expires: 5/10/207	

KRISTIE ANN MONEY
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20134031387
My Commission Expires May 16, 2017

Notary Public

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

IN THE MATTER OF THE APPLICATION OF PDC ENERGY, INC. FOR AN ORDER TO POOL ALL INTERESTS IN AN APPROXIMATE 480-ACRE DESIGNATED HORIZONTAL WELLBORE SPACING UNIT IN SECTIONS 22 AND 27, TOWNSHIP 5 NORTH, RANGE 64 WEST, 6TH P.M., FOR THE CODELL FORMATION, WATTENBERG FIELD, WELD COUNTY, COLORADO

CAUSE NO.

DOCKET NO.

AFFIDAVIT OF MAILING

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

I, Jamie Jost of lawful age, and being first duly sworn upon my oath, state and declare that I am the attorney for PDC Energy, Inc., and that on or before the day of December 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.

Jamie L. Jost

Subscribed and sworn to before me this day of December, 2014.

Witness my hand and official seal.

[SEAL]

My commission expires:

Notary Public

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

Exhibit A Interested Party List

Noble Energy, Inc. 1625 Broadway, Suite 2200 Denver, CO 90202

Bonanza Creek Energy Operating Company, LLC 410 17th Street, Suite 1400 Denver, CO 80202

Keri Kowalski P.O. Box 130 Midwest, WY 82643

Dorothy A. Baker, Charles J. Baker & Amanda Jane Baker, Joint Tenants 26444 2nd Street Kersey, CO 80644

Florence M. Pluma 1232 Kennicutt Fairbanks, AK 99701

Heirs and Devisees of George A. Prebish 10510 Kingswood Circle Sun City, AZ 85351

Ignacio Reyes Espinosa 1777E. 16th Streeet Greeley, CO 80631

Jose Fidencio Pluma 26481 WCR 55 Kersey, CO 80644

Michael Pluma 26472 WCR 54 Kersey, CO 80644

Michael and Annette Pluma, joint tenants 26472 WCR 54 Kersey, CO 80644

Patricia Soliz Valencia, Paul Soliz, Jr., Nellie Soliz Reberterano, Eugene Soliz, Mable Soliz Janke, Debbie Soliz Autobee & Joe Soliz, joint tenants 333 37th Street Space 14 Evans, CO 80620

Thomas Reberterano, Mabel Roberterano, Lacy Lougthmiller, Tom Reberterano, Jr., Rosie Zamoya, Felix Rebertano and Cory Miera, Joint Tenants 26421 WCR 55 Kersey, CO 80644

Amadeo Medina 26435 WCR 54 1/4 Kersey , CO 80644

Bonnie Pluma & Josie B.Pluma, Dorothy Baker, Charles J Baker and Amanda Jane. Baker 26481 WCR 55 Kersry, CO 80644

Felicitos Montes 121 SE 9th Street Plainview, TX 79072

Harry Mitotes PO Box 353 Kersey, CO 80644

Harry Miotes & Rose M. Miotes, JT PO Box 353 Kersey, CO 80644

Rose M. Miotes PO Box 353 Kersey, CO 80644

Rosie Zamora & Noe L. Zamora, JT 26557 2nd Street Kersey, CO 80644

Victor Vieyra & Adeline Vieyra, JT 26424 2nd Street Lafayette, CO 80026

Randall P. Frias & Dorothy L. Frias, Joint Tenants Randall P. Frias Address Unknown The Travelers Insurance Company PO Box 1100 Edmond, OK 73083

William D. Rice & Jean V Rice 5 Brightford Heights Rochester, NY 14610

Harold E. Rice & Doris A. Rice 2021 7th Avenue Greeley, CO 80631

Erma Fithian, formerly Erma Dalton & Robert W. Fithian

Colorado Department of Transportation P03-090-00 C/O Reciepts and Deposits 4201 East Arkansas Avenue Denver, CO 80222

Allen R. Iwata 3072 Ursula Street Aurora, CO 80011

Mary Ellen Alt, Delia Ann Bettale & John White 30129 WCR 46 Kersey, CO 80644

John R. Duell & Frank A. Duell John A. White Kevin S. Chesnut 27275 WCR #52 Kersey, CO 80644

James Rice 3001 70th Avenue Greeley, CO 80634

Ardis Kerns 1811 Montview Blvd Greeley, CO 80631

Audrey L. Thout 5460 Tennyson Street Denver, CO 80212

Bettie K. Miller 14200 Upper Fredericktown Road Fredericktown, OH 43019 BLG Resources, LLC 2602 McKinney Avenue #200 Dallas, TX 75204

Carol Ann Fowler 453 Mayfair Drive Poinciana, FL 34759

Candi K. Bauer Reinick PO Box 718 Greeley, CO 80632

Centennial Mineral Holdings, LLC 5950 Cedar Springs Rd., Suite 200 Dallas, TX 75235

Clyde Nelson 7455 Centennial Glen Drive Colorado Springs,CO 80919

Cozzens Living Trust dated August 25, 2010 3170 Soaring Bird Circle Colorado Springs, CO 80920

Cynthia Marie Spurlock 325 Washington Avenue S #342 Kent, WA 98032

Dana L. Geist PO Box 514 Ault Colorado 80610-0514

Darell E. Rice Dennis D. Klein and Victoria Lynn Klein, JT 24822 Hwy 34 Greleey, CO 80631

First Interstate Financial, LLC Po Box 655 Salt Lake City, UT 84110

Greycock Minerals, LLC address Unknown

Helen Crews 6600 West 20th Street, #35 Greeley, CO 80634

Herbert H. Duell 1601 Rosewood Drive Brentwood, TN 37027

Jacquelyn M. Speake 11420 Rd. 20 Cortez, CO 81321

Jay W. Gibson 18560 Creekview Road Sanger, TX 76266

John R. Duell 26542 WCR 51 Greeley, CO 80631

John R. Lazuick & LeLanie Lazuick, JT 27470 WCR 54 1/2 Kersey, CO 80644

Kevin L Thoutt 6195 Tennyson Street Arvada, CO 80002

Kevin S. Chesnut 27275 WCR #52 Kersey, CO 80644

Kurk Douglas Dalton 242 Dalton Street Longmont, CO 80501