BEFORE THE OIL AND GAS CONSERVATION COMMISSION

OF THE STATE OF COLORADO

IN THE MATTER OF THE APPLICATION OF GREAT WESTERN OPERATING COMPANY, LLC FOR AN ORDER TO POOL ALL INTERESTS IN AN APPROXIMATE 320-ACRE DESIGNATED HORIZONTAL WELLBORE SPACING UNIT IN SECTIONS 17 AND 18, TOWNSHIP 1 SOUTH, RANGE 67 WEST, 6TH P.M. FOR THE CODELL FORMATION, WATTENBERG FIELD, ADAMS COUNTY, COLORADO

CAUSE NO.

DOCKET NO.

APPLICATION

COMES NOW Great Western Operating Company, LLC (Operator No. 10110) ("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 320-acre designated horizontal Wellbore Spacing Unit (the "Wellbore Spacing Unit" or the "WSU"), as defined below, for the Willow Bend LD 18-361HC Well (API No. 05-001-09841) (the "Well"), for the development of the Codell Formation on the following described lands:

Township 1 South, Range 67 West, 6th P.M.

Section 17: W½W½ Section 18: E½E½

320 acres, more or less, Adams County, CO ("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 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 Codell-Niobrara Formation underlying certain lands, including the Application Lands, with the permitted well locations in accordance with the provisions of Order No. 407-1.
- 4. On November 16, 1992, the Commission entered Order No. 499-15, which, among other things, provided that, as to the Application Lands, and other lands, the location of all wells drilled to the Dakota and "J" Sand Formations underlying areas subject to Cause Nos. 407, 493 or 496 and at an authorized location pursuant to Rule 318 or Cause Nos. 499 or 232 shall be automatically approved, without hearing, as an

authorized location for production from the Codell, Niobrara, Sussex or Shannon Formations, provided various conditions are met.

- 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 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.
- 6. On December 15, the Commission entered Order No. 407-1185, which pooled all interests in an approximate 320-acre designated horizontal wellbore spacing unit composed of the Application Lands for the Willow Bend 18-361HN Well (API No. 05-001-09832), and imposed the cost recovery provisions of §34-60-116(7)(b), C.R.S. as to all non-consenting parties for such well.
- 7. Applicant designated the approximate 320-acre horizontal 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.
- 8. 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 within the Wellbore Spacing Unit, including but not limited to, any nonconsenting interests and leased mineral interests, in the Application Lands in the Codell Formation underlying the following approximate 320-acre Wellbore Spacing Unit for the Well:

Township 1 South, Range 67 West, 6th P.M.

Section 17: W½W½
Section 18: E½E½

- 9. 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.
- 10. 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, including leased mineral interest owners, within seven (7) days of the date hereof, as required by Rule 507.b(2), 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.
- 11. 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 nonconsenting 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 an approximate 320-acre designated horizontal Wellbore Spacing Unit established for the Application Lands for development of the Codell Formation.
- C. 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 Willow Bend LD 18-361HC Well (API No. 05-001-09841) to the Codell Formation on the Application Lands.
- D. 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 composed of the Application Lands.
- E. 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 27, 2014.

Respectfully submitted:

Great Western Operating Company, LLC

By:

Jamie L. Jost James P. Parrot

Jost & Shelton Energy Group, P.C.

Attorneys for Applicant

1675 Larimer Street, Suite 420

Denver, Colorado 80202

(720) 379-1812

Applicant's Address:

Great Western Operating Company, LLC

ATTN: Matt Acree

1801 Broadway, Suite 500

Denver, CO 80202

VERIFICATION

STATE OF COLORADO)) ss.)
CITY AND COUNTY OF DENVER	
he is the Landman for Great Western Ope	est duly sworn upon oath, deposes and says that erating Company, LLC, and that he has read the rs therein contained are true to the best of his
	Matt Acree
	Landman Great Western Operating Company, LLC
Subscribed and sworn to before me this Aday of December 2014. Witness my hand and official seal.	
My commission expires: 6-24-2017	Christen Jackson
CHRISTEN NICOLE JACKSON NOTARY PUBLIC STATE OF COLORADO NOTARY ID # 20134040032 MY COMMISSION EXPIRES JUNE 24, 2017	Notary Public ()

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

IN THE MATTER OF THE APPLICATION OF GREAT WESTERN OPERATING COMPANY, LLC FOR AN ORDER TO POOL ALL INTERESTS IN AN APPROXIMATE 320-ACRE DESIGNATED HORIZONTAL WELLBORE SPACING UNIT IN SECTIONS 17 AND 18, TOWNSHIP 1 SOUTH, RANGE 67 WEST, 6TH P.M. FOR THE CODELL FORMATION, WATTENBERG FIELD, ADAMS COUNTY, COLORADO

CAUSE NO.

DOCKET NO.

AFFIDAVIT OF MAILING

STATE OF COLORADO)
CITY AND COUNTY OF DENVER)ss.
and declare that I am the attorney for G on or before the 30th day of Declare	e, and being first duly sworn upon my oath, state Great Western Operating Company, LLC, and that 201, I caused a copy of the attached ed States Mail, postage prepaid, addressed to the ation. James P Parrot
Subscribed and sworn to before me this 29 day of <u>December</u> , 201 <u>4</u> . Witness my hand and official seal.	
My commission expires: 9/18/17	Notary Public Carroll
DANIELLE E CARROLL Notary Public State of Colorado Notary ID 20134059312 My Commission Expires Sep 18, 2017	

Exhibit A Willow Bend LD 18-361HC Well (API No. 05-001-09841)

Beverly Jean Verner PO Box 830 Nampa, Idaho 83653

Leroy Edward McElwain PO Box 59 Molina, CO 81646

Mary Ellen Sewell 316 S. 22nd Ave Brighton, CO 80601-2530

Willow Bend, Inc. 3168 5th Street Boulder, CO 80304

E-470 Public Highway Authority 22470 E. 6th Parkway, Suite 100 Aurora, CO 80018

Plateau 470, LLC 12460 1st Street Eastlake, CO 80614

Plateau Minerals, LLC 12460 1st Street Eastlake, CO 80614

George Brett Bristol PO Box 965 Golden, CO 80402

Luis Silva and Elsa Silva 14560 Pecos Street Westminster, CO 80023-6221

Extraction Oil & Gas, LLC 1888 Sherman Street, Suite 200 Denver, CO 80203

Grizzly Petroleum Company, LLC 1801 Broadway, Suite 500 Denver, CO 80202 Kerr McGee Oil & Gas Onshore LP 1099 18th Street, Suite 1800 Denver, CO 80202

Niobrara Development Partners, LLC 1700 Broadway, Suite 650 Denver, CO 80290 PDC Energy, Inc. 1775 Sherman Street, Suite 3000 Denver, CO 80203

Riverdale North, LLC 9145 E. Kenyon Avenue, Suite 200 Denver, CO 80237

Lelroy E. McElwain Trust P.O. Box 59 Molina, CO 81646

Shear, Inc. P.O. Box 3669 Grand Junction, CO 81502