### 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 ESTABLISHING AN	) CAUSE NO. 535
APPROXIMATE 1343-ACRE DRILLING AND SPACING	)
UNIT FOR PORTIONS OF SECTION 17 (BEING THAT	) DOCKET NO. To be assigned
PORTION LYING WITHIN THE STATE OF COLORADO)	)
AND SECTIONS 20 AND 29, TOWNSHIP 12 NORTH, RANGE	)
65 WEST, 6 <sup>TH</sup> P.M., AND AUTHORIZING THE DRILLING OF	)
UP TO SEVEN HORIZONTAL WELLS IN THE PROPOSED	)
UNIT, FOR PRODUCTION FROM THE NIOBRARA	) .
FORMATION, UNNAMED FIELD, WELD COUNTY,	)
COLORADO	)

### APPLICATION

Anadarko E&P Onshore LLC, Operator No. 2800 ("Anadarko" or "Applicant"), by and through its attorneys, Beatty & Wozniak, P.C., respectfully submits this Application to the Oil and Gas Conservation Commission of the State of Colorado (the "Commission") for an order: (1) vacating the approximate 702.86-acre drilling and spacing unit established for certain portions of Section 17 and Section 20, Township 12 North, Range 65 West, 6th P.M. for production of oil, gas and associated hydrocarbons from the Niobrara Formation; and (2) establishing an approximate 1343-acre drilling and spacing unit for certain portions of Section 17, and Sections 20 and 29, Township 12 North, Range 65 West, 6<sup>th</sup> P.M., and authorizing the drilling of up to seven (7) horizontal wells 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.
- Applicant owns substantial leasehold and/or mineral interests in the below-listed lands:

Township 12 North, Range 65 West, 6th P.M.

Lots 1 through 4 (approximately 62.86 acres), Section 17:

being that portion lying within the state of

Colorado

Section 20:

All

Section 29: 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.

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 702.86-acre drilling and spacing unit established for Sections 17 (Lots 1-4) and 20, Township 12 North, Range 65 West, 6th P.M., for the Niobrara Formation

- 4. On or about April 4, 2011, the Commission entered Order No. 535-6 which, among other things, established drilling and spacing units for certain lands, including certain portions of Section 17 (Lots 1-4) and Section 20 (All), Township 12 North, Range 65 West, 6<sup>th</sup> P.M., and approved two horizontal wells for the unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.
- 5. Applicant herein requests the establishment of an approximate 1343-acre stand-up drilling and spacing unit for the Application Lands for horizontal well development, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation, and in so doing, it is necessary to vacate the 702.86-acre drilling and spacing unit established by Order No. 535-6 for the Niobrara Formation. As of the date of this Application, there are no wells drilled or authorized to be drilled pursuant to Order No. 535-6 in Section 17 (Lots 1-4) and Section 20 (All), Township 12 North, Range 65 West, 6<sup>th</sup> P.M.

## Establishment of a 1343-acre drilling and spacing unit for horizontal well development of the Niobrara Formation

- 6. Applicant requests the Commission establish the Application Lands as an approximate 1343-acre drilling and spacing unit for the Niobrara Formation pursuant to §34-60-116(2), C.R.S. and Rule 503.b.(1). 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 wells proposed to be drilled under this Application and completed in the Niobrara Formation.
- 7. Applicant requests it be authorized to drill and complete up to seven (7) horizontal wells in the approximate 1343-acre drilling and spacing unit for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation pursuant to §34-60-116(4), C.R.S., as necessary to economically and efficiently recover resources, while minimizing surface impacts, creating efficiencies for drilling and production, increasing the ultimate recovery of the reserves, preventing waste, and protecting correlative rights.
- 8. Applicant states that, for any permitted wells to be drilled under this Application, the treated intervals of the wellbore should be not less than 600 feet from the unit boundaries with an inter-well setback of not less than 600 feet from the treated interval of a well producing from the Niobrara Formation, 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 <u>Exhibit B</u> 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. Vacating the approximate 702.86-acre drilling and spacing unit established for Section 17 (Lots 1-4) and Section 20 (All), Township 12 North, Range 65 West, 6<sup>th</sup> P.M., for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.
- B. Establishing an approximate 1343-acre drilling and spacing unit for the Application Lands, and authorizing the drilling of up to seven (7) horizontal wells 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 wells to be located not less than 600 feet from the unit boundaries, and not less than 600 feet from the treated interval of any well being drilled or producing from the Niobrara Formation, 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 \_\_\_\_\_ day of February, 2015.

Respectfully submitted,

ANADARKO E&P ONSHORE LLC

By:

James Parrot Jillian Fulcher

Beatty & Wozniak, P.C. Attorneys for Applicant 216 16th Street, Suite 1100 Denver, Colorado 80202 (303) 407-4499

jparrot@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 Anadari has read the foregoing Application and that knowledge, information and belief.	ko E&P Onshore LLC, upon oath deposes and says that he the statements contained therein are true to the best of his ANADARKO E&P ONSHORE LLC
	Jason Rayburn
Landman for Anadarko E&P Onshore LLC.	e this 10th day of February, 2015, by Jason Rayburn,
Witness my hand and official seal.	
My commission expires: _ 10.17.20	15
AUBLIO OF COLOR	Damiel Hencmann Notary Public

T12N, R65W

**Exhibit A** Application Map

Application Lands -		Weld County	,	Application Iviap (map not to scale)	лар lle)
18	17	16	15	14	
			Wy	Wyoming	,
19	20	21	22	Colorado   23	3
. — . — .					i
30	52	28	72	26	26
			,		
31	32	33	34	35	

### **EXHIBIT B**

#### INTERESTED PARTIES

The names and addresses of the interested parties according to the information and belief of the Applicant are set forth in this <u>Exhibit B</u>.

Anadarko E&P Onshore LLC 1099 18th Street, Suite 1800 Denver, CO 80202

David A. Hankin Trustee of the David A. Hankin Trust, Dated March 23, 2004 2010 East 16th Street Cheyenne, WY 82001

Jerry Dean Hankin 130 Taylor Laramie, WY 82070

Carl Herrin P.O. Box 329 Jackson, MS 39205

Kenneth Lee Wold 130 Taylor Laramie, WY 82070

Lorraine Kay Wold 130 Taylor Laramie, WY 82070

William L. Patterson, a married man, heir of Phillis E. Patterson, deceased and Charles E. Patterson, deceased 6796 Armour Dr. Oakland, CA 94611

Glacier Land Services P.O. Box 3982 Centennial, CO 80161

Cirque Brennsee LLC 475 Seventeenth Street Suite 1600 Denver, CO 80202

Tom Schreiner, Energy Liaison Colorado Parks and Wildlife Northeast Region Office 6060 Broadway Denver, CO 80216 Jillian Fulcher Beatty & Wozniak, P.C. 216 16th Street, Suite 1100 Denver, Colorado 80202

Gail Lynn Hankin 130 Taylor Laramie, WY 82070

George S. Dennis P.O. Box 1823 Jackson, MS 39215

Kudzu Oil Properties, LLC 300 Concourse Blvd., Ste. 101 Ridgeland, MS 39157

Timonthy Steven Wold 130 Taylor Laramie, WY 82070

Gerald A. Patterson, heir of Phillis E. Patterson, deceased and Charles E. Patterson, deceased 4762 E. Hedges Ave. Fresno, CA 93703

EOG Resources, Inc. 600 17th St., Ste. 1000N Denver, CO 80202

Noble Energy, Inc. 1625 Broadway Suite 2200 Denver, CO 80202

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

Kent Kuster
Oil & Gas Consultant Coordinator
Colorado Department of
Public Health & Environment
4300 Cherry Creek Drive South
Denver, CO 80246-1530

U.S. Department of Interior Bureau of Land Management 2850 Youngfield Street Lakewood, CO 80215

# BEFORE THE OIL & GAS CONSERVATION COMMISSION OF THE STATE OF COLORADO

IN THE MATTER OF AN APPLICATION BY ANADARKO E&P ONSHORE LLC FOR AN ORDER ESTABLISHING AN APPROXIMATE 1343-ACRE DRILLING AND SPACING UNIT FOR PORTIONS OF SECTION 17 (BEING THAT PORTION LYING WITHIN THE STATE OF COLORADO) AND SECTIONS 20 AND 29, TOWNSHIP 12 NORTH, RANGE 65 WEST, 6 <sup>TH</sup> P.M., AND AUTHORIZING THE DRILLING OF UP TO SEVEN HORIZONTAL WELLS IN THE PROPOSED UNIT, FOR PRODUCTION FROM THE NIOBRARA FORMATION, UNNAMED FIELD, WELD COUNTY, COLORADO	) CAUSE NO. 535 ) DOCKET NO. To be assigned ) ) ) )
AFFIDAVIT OF MAILING	
STATE OF COLORADO ) )ss. CITY AND COUNTY OF DENVER )	
Jillian Fulcher, of lawful age, and being first duly sworn upon	n her oath, states and declares:
That she is an attorney at Beatty & Wozniak, P.C., attorneys for Anabefore February , 2015, caused a copy of the attached Application Mail, postage prepaid, addressed to the parties listed on <a href="Exhibit B">Exhibit B</a> to a superior of the attached Application Mail, postage prepaid, addressed to the parties listed on <a href="Exhibit B">Exhibit B</a> to a superior of the attached Application of the attached Application Mail, postage prepaid, addressed to the parties listed on <a href="Exhibit B">Exhibit B</a> to a superior of the attached Application of the attached Application Mail, postage prepaid, addressed to the parties listed on <a href="Exhibit B">Exhibit B</a> to a superior of the attached Application of the attached Application Mail, postage prepaid, addressed to the parties listed on <a href="Exhibit B">Exhibit B</a> to a superior of the attached Application of the att	n to be deposited in the United State
Jillian Fulch	ner CUC
Subscribed and sworn to before me this day of Februa	ry, 2015.
Witness my hand and official seal.	
JENNIFER PITTENGER  Notary Public  State of Colorado  Notary ID 20134062771  My Commission Expires Sep 27, 2017	Pittinger