

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

IN THE MATTER OF THE APPLICATION OF GREAT)	CAUSE NO.
WESTERN OPERATING COMPANY, LLC, FOR AN)	
ORDER APPLYING THE COST RECOVERY)	DOCKET NO.
PROVISIONS OF C.R.S. 34-60-116(7) TO AN)	
ADDITIONAL PARTY IN AN ESTABLISHED 320-ACRE)	
DESIGNATED HORIZONTAL WELLBORE SPACING)	
UNIT, WITH ALL INTERESTS IN SUCH 320-ACRE)	
WELLBORE SPACING UNIT POOLED IN ORDER NO.)	
407-1185, LOCATED IN PORTIONS OF SECTIONS 17)	
AND 18, TOWNSHIP 1 SOUTH, RANGE 67 WEST, 6TH)	
P.M., WATTENBERG FIELD, ADAMS COUNTY,)	
COLORADO)	

APPLICATION

COMES NOW Great Western Operating Company, LLC (Operator No. 10110) ("Applicant"), by and through its attorneys, Jost & Shelton Energy Group, P.C., and respectfully submits this Application to the Oil and Gas Conservation Commission of the State of Colorado ("Commission"), for an order applying the cost recovery provisions of C.R.S. 34-60-116(7) to an additional party, within an established 320-acre designated horizontal Wellbore Spacing Unit, as defined below, with all interests in such 320-acre Wellbore Spacing Unit pooled in Order No. 407-1185, for the development and operation of the Niobrara Formation underlying:

Township 1 South, Range 67 West, 6th P.M.
Section 17: W $\frac{1}{2}$ W $\frac{1}{2}$
Section 18: E $\frac{1}{2}$ E $\frac{1}{2}$

Adams County, Colorado (hereinafter referred to as the "Application Lands" or "Wellbore Spacing Unit")

In support of its application, Applicant states and avers as follows:

1. Applicant is a corporation duly authorized to conduct business in the State of Colorado and is an 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 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 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.

5. On July 29, 2013, the Commission entered Order No. 407-829, which among other things, approves the request for an order to establish an approximate 620-acre horizontal drilling and spacing unit consisting of Section 18, Township 1 South, Range 67 West, 6th P.M., and approve up to twelve horizontal wells within the unit, for the production of oil, gas, and associated hydrocarbons from the Codell-Niobrara Formation. Order No. 407-829 has since been vacated.

6. On January 27, 2014, the Commission entered Order No. 407-919, which among other things, approves the request for an order to vacate Order No. 407-829 which, established an approximate 640-acre drilling and spacing unit for certain lands in Section 18, Township 1 South, Range 67 West, 6th P.M., for the development and operation of the Codell-Niobrara Formation, as mentioned above.

7. On December 15, 2014, the Commission entered Order No. 407-1185, which among other things, approves the request for an order to pool all interests in an approximate 320-acre designated horizontal wellbore spacing unit established for the Willow Bend 18-361HN Well (API No. 05-001-09832) on the Application Lands, for the development and operation of the Niobrara Formation.

8. On January 26, 2015, the Commission entered Order No. 407-1196, which at the time of submission of this Application, was unavailable for public review.

9. Applicant now seeks the cost recovery provisions of C.R.S. § 34-60-116(7)(b) to apply to an additional party in the Application Lands.

10. The grounds upon which Applicant seeks to apply the cost recovery provisions of C.R.S. 34-60-116(7) to the additional party are set forth below. Specifically:

- a. Applicant owns certain leasehold interests in the Application Lands.
- b. The Application Lands were designated as an approximate 320-acre wellbore spacing unit for the Niobrara Formation.
- c. All interests in the 320-acre Wellbore Spacing Unit made up of the Application Lands were pooled in Order No. 407-1185.

d. Applicant has, or will within 35 days prior to the April 13, 2015 Commission hearing, comply with Rule 530 and, as applicable, submit an offer to lease and/or participate in the Willow Bend 18-361HN Well (API No. 05-001-09832), including an AFE containing the information required under Rule 530.a.

e. Applicant intends to apply the applicable cost recovery provisions of C.R.S. 34-60-116(7) to any non-consenting parties in the Willow Bend 18-361HN Well (API No. 05-001-09832).

11. Applicant requests that the Commission's order applying the cost recovery provisions of C.R.S. 34-60-116(7) be applicable to the Willow Bend 18-361HN Well 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 Willow Bend 18-361HN Well to the Niobrara Formation on the Application Lands.

12. Applicant certifies to that copies of this Application will be served on all persons owning an interest in the mineral estate of the tracts pooled in the 320-acre Wellbore Spacing Unit, within seven (7) days of the date hereof, as required by Rule 507.b.(2). The list of such interested parties is attached hereto as Exhibit A.

WHEREFORE, Applicant requests that this matter be set for hearing, that notice thereof be given as required by law, and that upon such hearing the Commission enter its order declaring that the cost recovery provisions of C.R.S. § 34-60-116(7)(b) apply to the additional party with an interest in the Willow Bend 18-361HN Well (API No. 05-001-09832), and for such other findings and orders as the Commission may deem proper or advisable in the premises.

DATED this 12 day of February, 2015.

Respectfully submitted:

**GREAT WESTERN OPERATING COMPANY,
LLC**

By:



Jamie L. Jost

Joseph M. Evers

Jost & Shelton Energy Group, P.C.

Attorneys for Applicant

1675 Larimer St., Suite 420

Denver, Colorado 80202

720.379.1812

jjost@jsenergygroup.com

jevers@jsenergygroup.com

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)

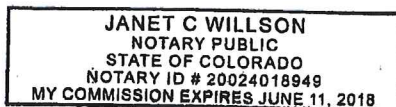
Matt Acree, of lawful age, being first duly sworn upon oath, deposes and says that he is the Landman for Great Western Operating Company, LLC, and that he has read the foregoing Application and that the matters therein contained are true to the best of his knowledge, information and belief.

Matt Acree
Landman
Great Western Operating Company, LLC

Subscribed and sworn to before me this 10th day of February 2015.

Witness my hand and official seal.

My commission expires: 6/1/2018



Janet C. Wilson
Notary Public

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P.M., WATTENBERG FIELD, ADAMS COUNTY,)
COLORADO)

AFFIDAVIT OF MAILING

STATE OF COLORADO)
) ss.
COUNTY OF DENVER)

Joseph M. Evers, of lawful age, and being first duly sworn upon his oath, states and declares:

That she is the attorney for Great Western Operating Company, LLC, that on or before February 19, 2015, he 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.

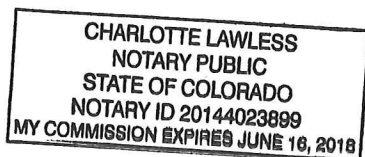


Joseph M. Evers

Subscribed and sworn to before me this 13th day of February, 2015.

Witness my hand and official seal.

My commission expires: 06/16/2018





Notary Public

Exhibit A
Interested Party List

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