

**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 APPROXIMATE 1,275.80-ACRE  
DRILLING AND SPACING UNIT AND AUTHORIZING  
THE DRILLING OF UP TO SEVEN (7) HORIZONTAL  
WELLS IN THE PROPOSED UNIT FOR PRODUCTION  
FROM THE NIOBRARA FORMATION, AND  
AUTHORIZING AN ADDITIONAL FIVE (5)  
HORIZONTAL WELLS FOR A TOTAL OF SIX (6)  
HORIZONTAL WELLS IN AN EXISTING DRILLING  
AND SPACING UNIT ESTABLISHED BY ORDER NO.  
535-581 FOR PRODUCTION FROM THE CODELL  
FORMATION; ALL FOR SECTION 2, TOWNSHIP 11  
NORTH, RANGE 65 WEST, 6TH P.M., AND SECTION  
35, TOWNSHIP 12 NORTH, RANGE 65 WEST, 6TH  
P.M., UNNAMED FIELD, WELD COUNTY,  
COLORADO

CAUSE NO.

DOCKET NO.

**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 to a) establish an approximate 1,275.80-acre drilling and spacing unit for Section 2, Township 11 North, Range 65 West, 6th P.M., and Section 35, Township 12 North, Range 65 West, 6th P.M., and authorize 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; and b) authorize an additional five (5) horizontal wells for a total of six (6) horizontal wells in an existing drilling and spacing unit established by Order No. 535-581 for production from the Codell Formation, for Section 2, Township 11 North, Range 65 West, 6th P.M., and Section 35, Township 12 North, Range 65 West, 6th P.M. 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.
2. Applicant owns substantial leasehold and/or mineral interests in the below-listed lands:

Township 11 North, Range 65 West, 6th P.M.

Section 2: Lots 1 and 2, S½N½, S½ (a/d/a All)

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

Section 35: All

Approximately 1,275.80 acres, more or less, Weld County, CO ("Application Lands.") A map depicting the acreage comprising the Application Lands is attached hereto and marked as Exhibit A.

3. 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.

4. On October 27, 2014, the Commission approved Order No. 535-581, which 1) established an approximate 1,275.80-acre drilling and spacing unit for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Codell Formation; and 2) approved one horizontal well within the unit. The Application Lands are subject to this Rule for the production of oil, gas and associated hydrocarbons from the Codell Formation.

5. The records of the Commission indicate that there are no wells producing from the Codell or Niobrara Formations within the Application Lands.

6. *Niobrara Formation – Drilling and Spacing Unit.*

(a) Applicant requests the Commission establish the Application Lands as an approximate 1,275.80-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.

(b) Applicant requests it be authorized to drill and complete up to seven (7) horizontal wells in the approximate 1,275.80-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., 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.

7. *Codell Formation – Additional Wells.*

(a) Applicant requests that an additional five (5) horizontal wells, for a total of six (6) horizontal wells, be authorized within the existing drilling and spacing unit established by Order No. 535-581 for production from the Codell Formation for the Application Lands.

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 150 feet from the treated interval of a well producing from the same 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 Exhibit B 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 at the Commission's May 18, 2015 hearing, that notice be given as required by law and that upon such hearing this Commission enter its order:

A. Establishing an approximate 1,275.80-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 150 feet from the treated interval of any well being drilled or producing from the same formation, without exception being granted by the Director.

B. Authorizing an additional five (5) horizontal wells, for a total of six (6) horizontal wells within the existing drilling and spacing unit established by Order No. 535-581 for production from the Codell Formation for the Application Lands, 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 150 feet from the treated interval of any well being drilled or producing from the same 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.

DATED this 12<sup>th</sup> day of March, 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@bwenenergylaw.com

jfulcher@bwenenergylaw.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 Anadarko E&P Onshore LLC, upon oath deposes and says that he has read the foregoing Application and that the statements contained therein are true to the best of his knowledge, information and belief.

ANADARKO E&P ONSHORE LLC

\_\_\_\_\_  
Jason Rayburn

Subscribed and sworn to before me this 12<sup>th</sup> day of March, 2015, by Jason Rayburn, Landman for Anadarko E&P Onshore LLC.

Witness my hand and official seal.

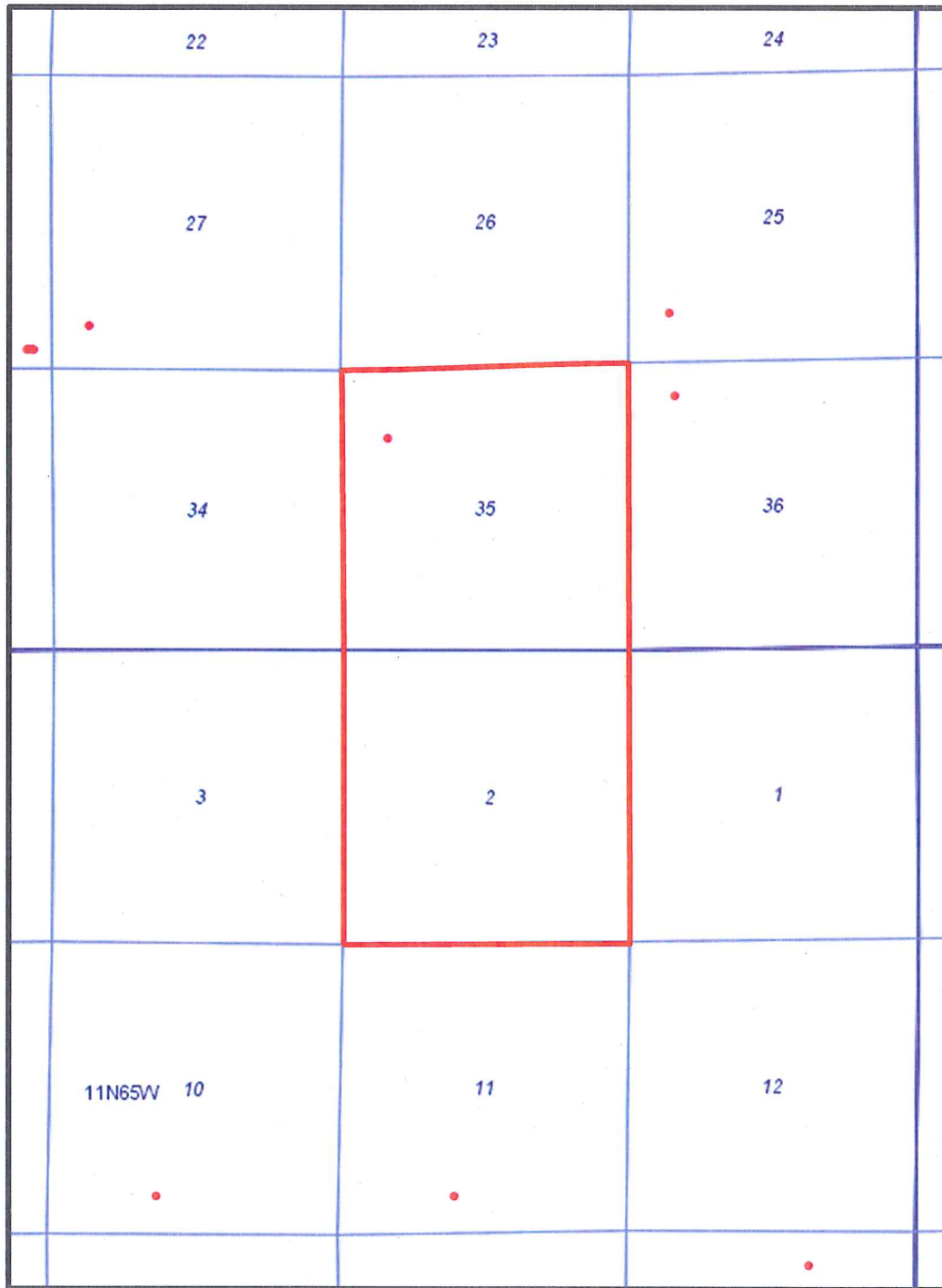
My commission expires: 10-17-2015

Ramie Hencmann  
Notary Public



Exhibit A  
Reference Map for Spacing Application

Section 2, Township 11 North, Range 65 West, 6th P.M.  
Section 35, Township 12 North, Range 65 West, 6th P.M.



## 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 Exhibit B.

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

James Parrot  
Jillian Fulcher  
Beatty & Wozniak, P.C.  
216 16th Street, Suite 1100  
Denver, Colorado 80202

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

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

Tom Schreiner, Energy Liaison  
Colorado Parks and Wildlife  
Northeast Region Office  
6060 Broadway  
Denver, CO 80216

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

Yates Petroleum Corporation  
105 S. 4th St.  
Artesia, NM 88210-2177

MYCO Industries, Inc.  
105 S. 4th St.  
Artesia, NM 88210-2177

ABO Petroleum Corporation  
105 S. 4th St.  
Artesia, NM 88210-2177

True Oil LLC.,  
P.O. Drawer 2360  
Casper, WY 82602

Anadarko  
1400 Douglas Street  
Omaha, NE 68179

IN THE MATTER OF AN APPLICATION BY ANADARKO E&P ONSHORE LLC FOR AN ORDER ESTABLISHING AN APPROXIMATE 1,275.80-ACRE DRILLING AND SPACING UNIT AND AUTHORIZING THE DRILLING OF UP TO SEVEN (7) HORIZONTAL WELLS IN THE PROPOSED UNIT FOR PRODUCTION FROM THE NIOBRARA FORMATION, AND AUTHORIZING AN ADDITIONAL FIVE (5) HORIZONTAL WELLS FOR A TOTAL OF SIX (6) HORIZONTAL WELLS IN AN EXISTING DRILLING AND SPACING UNIT ESTABLISHED BY ORDER NO. 535-581 FOR PRODUCTION FROM THE CODELL FORMATION; ALL FOR SECTIONS 18, 19 AND 30 TOWNSHIP 12 NORTH, RANGE 65 WEST, 6TH P.M., UNNAMED FIELD, WELD COUNTY, COLORADO

DOCKET NO.

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

That he is an attorney at Beatty & Wozniak, P.C., attorneys for Anadarko E&P Onshore LLC, and on or before March 12, 2015, caused a copy of the attached Application to be deposited in the United States Mail, postage prepaid, addressed to the parties listed on Exhibit B to the Application.

James Parrot

Subscribed and sworn to before me this 12<sup>th</sup> day of March, 2015.

  
Notary Public

