

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

IN THE MATTER OF AN APPLICATION BY
EXTRACTION OIL & GAS LLC FOR AN ORDER
POOLING ALL INTERESTS IN FOUR APPROXIMATE
320-ACRE DESIGNATED HORIZONTAL WELLBORE
SPACING UNITS ESTABLISHED FOR SECTION 32,
TOWNSHIP 6 NORTH, RANGE 67 WEST, 6TH P.M.,
FOR THE DEVELOPMENT/OPERATION OF THE
CODELL AND NIOBRARA FORMATIONS,
WATTENBERG FIELD, WELD COUNTY, COLORADO

CAUSE NO. 407

DOCKET NO. *To be
assigned*

APPLICATION

Extraction Oil & Gas LLC, Operator No. 10459, ("Extraction" 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 pooling all interests in four approximate 320-acre horizontal wellbore spacing units established for certain portions of Section 32, Township 6 North, Range 67 West, 6th P.M., for the development and operation of the Codell and Niobrara Formations. In support of its Application, Applicant states and alleges as follows:

1. Applicant is a limited liability 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 interests in the below-listed lands:

Township 6 North, Range 67 West, 6th P.M.
Section 32: S½

Weld County, Colorado
Wellbore Spacing Unit ("WSU") Nos. 1 through 4

These lands are hereinafter referred to as the "Application Lands" and depicted in Exhibit A attached hereto.

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. The Application Lands are subject to Rule 318A.

4. Pursuant to Rule 318A., Applicant designated four approximate 320-acre horizontal wellbore spacing units, comprised of the Application Lands, for the below-

described wells, for the production of oil, gas and associated hydrocarbons from the Codell or Niobrara Formations. Applicant notified all owners in the proposed wellbore spacing units pursuant to Rule 318A.e.(5). Applicant did not receive objections to the establishment of the proposed horizontal wellbore spacing units within the 30-day response period:

- a. Pavistma South #1 Well (API No. 05-123-37703) – Niobrara Formation – WSU #1;
- b. Pavistma South #2 Well (API No. 05-123-36652) – Codell Formation – WSU #2;
- c. Pavistma South #3 Well (API No. 05-123-36650) – Niobrara Formation – WSU #3; and
- d. Pavistma South #4 Well – (API No. 05-123-34945) – Codell Formation – WSU #4.

These wells are hereinafter referred to as the “Subject Wells.”

5. Acting pursuant to the relevant provisions of §34-60-116(6) & (7), C.R.S., and Rule 530., Applicant seeks an order pooling all interests, including, but not limited to, any nonconsenting interests, in each of WSU Nos. 1-4 established for the Application Lands, for the development and operation of the Codell and Niobrara Formations.

6. Applicant requests that the pooling order entered as a result of this Application be made effective as of the date of this Application.

7. Further, Applicant requests 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 each of the Subject Wells, are made subject to the cost recovery provisions of §34-60-116(7), C.R.S., effective as of the earlier of the date of the Application, or the date the costs specified in §34-60-116(7)(b), C.R.S. are first incurred for the drilling of each of the Subject Wells.

8. 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.

9. Applicant requests that relief granted under this Application should be effective on oral order by the Commission, and Applicant hereby agrees to be bound by said oral order.

10. That the names and addresses of the interested parties (persons who own any interest in the mineral estate of the tracts to be pooled, except owners of overriding royalty interest) 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, that notice be given as required by law and that upon such hearing, this Commission enter its order:

A. Pooling all interests in each of WSU Nos. 1-4 established for the Application Lands, for the development and operation of the Codell and Niobrara Formations, with the pooling order made effective as of the date of this Application.

B. 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 each of the Subject Wells, are pooled by operation of statute, pursuant to §34-60-116(6) & (7), C.R.S., and made subject to the cost recovery provisions thereof, effective as of the earlier of the date of the Application, or the date the costs specified in §34-60-116(7)(b), C.R.S. are first incurred for the drilling of each of the Subject Wells.

C. For such other findings and orders as the Commission may deem proper or advisable in the premises.

DATED this 19 day of March, 2015.

Respectfully submitted,

EXTRACTION OIL & GAS LLC

By: 

James Parrot
Jillian Fulcher
Beatty & Wozniak, P.C.
Attorneys for Applicant
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Denver, Colorado 80202
(303) 407-4499
jparrot@bwenergylaw.com
jfulcher@bwenergylaw.com

Address of Applicant
Extraction Oil & Gas LLC
Destenie McMillen, Senior Landman
1888 Sherman Street, Suite 200
Denver, Colorado 80203

VERIFICATION

STATE OF COLORADO

)

) ss.

CITY & COUNTY OF DENVER

)

Destenie McMillen, Senior Landman for Extraction Oil & Gas LLC, upon oath deposes and says that she has read the foregoing Application and that the statements contained therein are true to the best of her knowledge, information and belief.

EXTRACTION OIL & GAS LLC


Destenie McMillen

Subscribed and sworn to before me this 18th day of March, 2015, by Destenie McMillen, Senior Landman for Extraction Oil & Gas LLC.

Witness my hand and official seal.

My commission expires: 9-27-2017

Notary Public



JENNIFER PITTENGER
Notary Public
State of Colorado
Notary ID 20134062771
My Commission Expires Sep 27, 2017

Exhibit A

Reference Map for Pooling Application

Section 32 (S½), Township 6 North, Range 67 West, 6th P.M. (WSU Nos. 1-4)

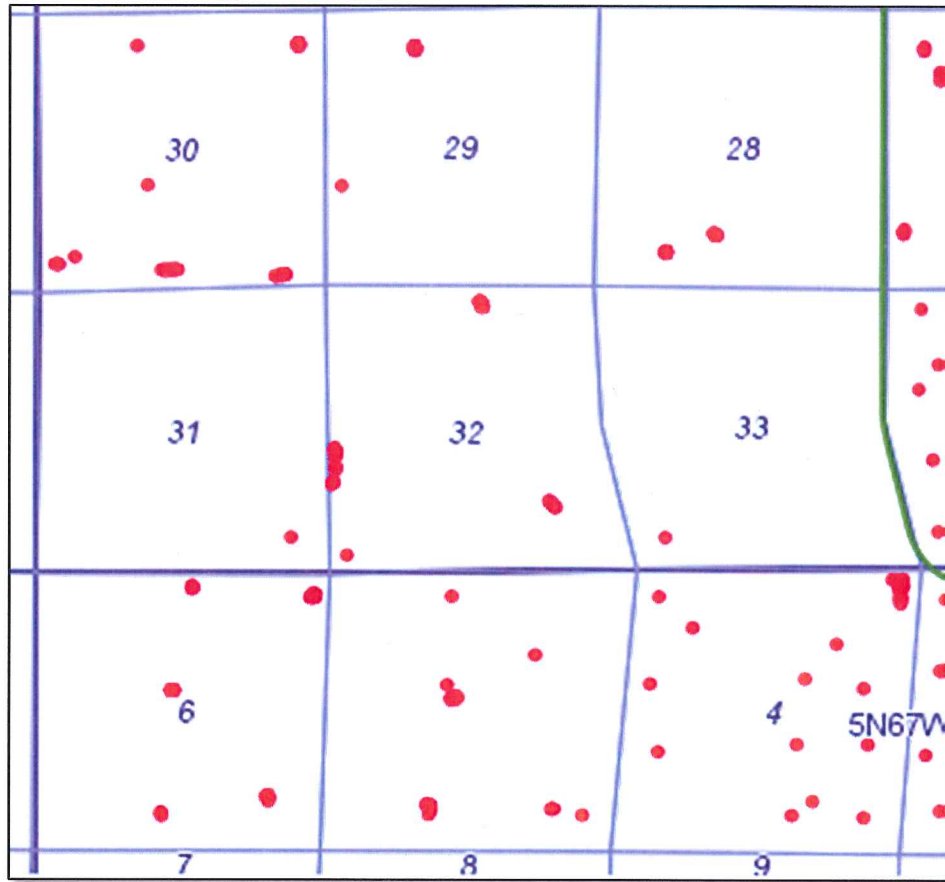


EXHIBIT B

INTERESTED PARTIES

The names and addresses of the interested parties (persons who own any interest in the mineral estate of the tracts to be pooled, except owners of overriding royalty interest) according to the information and belief of the Applicant are set forth in this Exhibit B.

Frye Farms Investments, LLC
1625 Pelican Lakes Point
Suite 201
Windsor, CO 80550

Vima Partners, LLC
1625 Pelican Lakes Point
Suite 201
Windsor, CO 80550

Trollco, Inc.
1625 Pelican Lakes Point
Suite 201
Windsor, CO 80550

Pelican Lakes, LLC
1625 Pelican Lakes Point
Suite 201
Windsor, CO 80550

Dennis E. Kessler
7205 Weld Country Road 62
Windsor, CO 80550

Mile High Banks
1720 Hover Street
Longmont, CO 80501

Kerr-McGee Oil & Gas
Onshore LP
1099 18th Street, Suite 1800
Denver, CO 80202

Patriot Energy, LLC
1625 Pelican Lakes Point
Suite 201
Windsor, CO 80550

Affirm Energy, LLC
P.O. Box 692
Niwoot, CO 80544-0692

Windsor Royalty Company, LLC
1625 Pelican Lakes Point
Suite 201
Windsor, CO 80550

Great Western Bank
3711 John F. Kennedy Parkway
Fort Collins, CO 80525

Extraction Oil & Gas LLC
Destenie McMillen, Senior
Landman
1888 Sherman Street, Suite 200
Denver, Colorado 80203

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AFFIDAVIT OF MAILING

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

Jennifer Pittenger, of lawful age, and being first duly sworn upon her oath, states and declares:

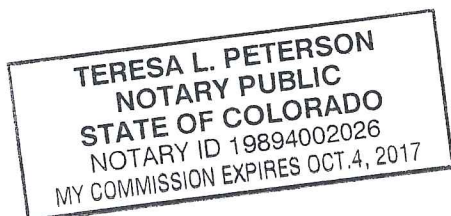
That she is a Legal Assistant at Beatty & Wozniak, P.C., attorneys for Extraction Oil & Gas LLC, and on or before March 26, 2015, caused a copy of the attached Application to be deposited in the United States Mail, postage prepaid, addressed to the parties listed on Exhibit B to the Application.




Jennifer Pittenger

Subscribed and sworn to before me this 19th day of March, 2015.

Witness my hand and official seal.





Notary Public