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

IN THE MATTER OF THE APPLICATION OF PDC ENERGY, INC. FOR AN ORDER TO POOL ALL INTERESTS IN AN APPROXIMATE 315-ACRE DESIGNATED HORIZONTAL WELLBORE SPACING UNIT FOR PORTIONS OF SECTIONS 6 AND 7, TOWNSHIP 4 NORTH, RANGE 66 WEST, 6TH P.M., FOR THE CODELL FORMATION, WATTENBERG FIELD, WELD COUNTY, COLORADO

CAUSE NO.

DOCKET NO.

TYPE: POOLING

APPLICATION

COMES NOW PDC Energy, Inc. (Operator No. 69175) ("PDC" or "Applicant"), by its attorneys, Burleson LLP, 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 315-acre Wellbore Spacing Unit, as defined below, for the drilling of the Bernhardt 6O-443 Well (API No. 05-123-40399) ("Well"), for the development of the Codell Formation on the following described lands:

Township 4 North, Range 66 West, 6th P.M.

Section 6:

E1/2SW1/4, W1/2SE1/4

Section 7:

E1/2NW1/4, W1/2NE1/4

315-acres, more or less, Weld County, Colorado. Hereinafter "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 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.

- 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 Formations, the Codell Formation, and the 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. Applicant designated the 315-acre 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.
- 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, including but not limited to, any non-consenting interests, in the Application Lands in the Codell Formation underlying the following approximate 315-acre Wellbore Spacing Unit:

Township 4 North, Range 66 West, 6th P.M.

Section 6: E½SW¼, W½SE¼

Section 7:

E1/2NW1/4, W1/2NE1/4

(throughout as "Wellbore Spacing Unit").

- 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.
- 8. 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 within seven (7) days of the date hereof, as required by Rule 503.e., 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.
- 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 non-consenting 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:

Pooling all interests in the Application Lands and the Wellbore Spacing Unit for the development of the Codell Formation.

- B. 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 Well in the Wellbore Spacing Unit to the Codell Formation on the Application Lands.
- C. 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 comprising the Application Lands.
- D. 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 July 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.

Respectfully submitted:

PDC ENERGY, INC.

By:

Jamie L. Jost Zachary P. Sears Burleson LLP

Attorneys for Applicant 1700 Lincoln St., Suite 1300 Denver, Colorado 80203 (303) 801-3200

Applicant's Address:
PDC Energy, Inc.
ATTN: Josh Wagner
1775 Sherman Street, Suite 3000
Denver, CO 80203

VERIFICATION

STATE OF COLORADO)
CITY AND COUNTY OF DENVER) ss.)
that he is a Senior Regional Landman fo	g first duly sworn upon oath, deposes and says r PDC Energy, Inc., and that he has read the rs therein contained are true to the best of his
	$\Omega_{2}\Omega_{-}$
	1819
	Josh Wagner
	Senior Regional Landman
	PDC Energy, Inc.
Subscribed and sworn to before me this day of May 2015.	
Witness my hand and official seal.	KRISTIE ANN MONEY
[SEAL]	STATE OF COLORADO NOTARY ID 20134031387 My Commission Expires May 16, 2017
My commission expires: 5/10/	<u> </u>
40	P
	Notary Public

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

IN THE MATTER OF THE APPLICATION OF CAUSE NO. PDC ENERGY, INC. FOR AN ORDER TO POOL ALL INTERESTS IN AN APPROXIMATE 315-ACRE DESIGNATED HORIZONTAL WELLBORE SPACING UNIT FOR PORTIONS TYPE: POOLING OF SECTIONS 6 AND 7, TOWNSHIP 4 NORTH, RANGE 66 WEST, 6TH P.M., FOR THE

DOCKET NO.

CODELL FORMATION, WATTENBERG FIELD, WELD COUNTY, COLORADO
AFFIDAVIT OF MAILING
STATE OF COLORADO)
)ss. CITY AND COUNTY OF DENVER)
I, Jamie L. Jost of lawful age, and being first duly sworn upon my oath, state and declare that I am the attorney for PDC Energy, Inc., and that on or before the day of May 2015, I caused a copy of the attached Application to be deposited in the United States Mail, postage prepaid, addressed to the parties listed on <u>Exhibit A</u> to the Application.
Jamie L. Jost
Subscribed and sworn to before me this 215 day of May 2015.
Witness my hand and official seal.
[SEAL]
My commission expires: June 24, 2018 RACHEL FLEMING NOTARY PUBLIC STATE OF COLORADO

Tolut Henney/ Notary Public

NOTARY ID 20144025048 MY COMMISSION EXPIRES JUNE 24, 2018

Exhibit A FP – Bernhardt 60-443

Double Eagle Energy Rockies LLC 1401 Ballinger Street, Suite 203 Fort Worth, TX 76102

K.P. Kauffman Company, Inc. 1675 Broadway, Suite 2800 Denver, Colorado 80202

Fountainhead Resources, Ltd. P.O. Box 641 Littleton, Colorado 80160

Robert L. Haynie Revocable Trust U/A dated December 20, 1991, Robert L. Haynie, Trustee and James D. Hanegan, Trustee Attn: James D. Hanegan 1625 Broadway, Suite 800 Denver, Colorado 80202

Carolyn Kammerzell 12614 Hwy 60 Milliken, CO 80543-0000

Leroy R. Bernhardt P.O. Box 250 Milliken, CO 80543

Heirs or Devisees of Delbert L. Bernhardt 11269 Hwy. 60 Milliken, CO 80543

Herbert B. Bernhardt 21564 County Road 25 Milliken, CO 80543

Charlotte M. Bjoralt 5302 Kiowa Dr. Greeley, CO 80634

Helen Bernhardt Busch P.O. Box 266 Wiggins, CO 80654 Albert Bernhardt 29523 Hwy 39 Wiggins, CO 80654

Melvin Bernhardt 70042 County Road 10 Mitchell, NE 69357

Marian Forbes f/k/a Marian Rossman 20075 County Road Q Fort Morgan, CO 80701

Marilyn JoAnn Schneider 24987 County Road 25 Milliken, CO 80543

James L. Sitzman 15780 County Road RR Akron, CO 80720

Jay L. Sitzman 27490 County Road 50 Kersey, CO 80644

Jeff L. Sitzman 15780 Cty Rd RR Akron, CO 80720

Margaret Bernhardt a/k/a Margaret R. Bernhardt 820 Azalea Way Vacaville, CA 95688

Jerry Bernhardt and Margaret Bernhardt a/k/a Margaret R. Bernhardt, as tenants in common 820 Azalea Way Vacaville, CA 95688 David Lee Bernhardt Consolidated Trust 12281 State Hwy 60 Milliken, CO 80543

Jerry Reuben Bernhardt Consolidated Trust 820 Azalea Way Vacaville, CA 95688

Timothy Alan Bernhardt Consolidated Trust 12281 State Hwy 60 Milliken, CO 80543

Charlene Bernhardt Michaels Consolidated Trust 913 NW 36th Drive Gainesville, FL 32605

Shable Homestead, LLC 12705 HWY 60 Milliken, CO 80543

Shable Albertsen Minerals, LLC 4490 Fruita Dr. Loveland, CO 80538

Shable Swanson Minerals, LLC 9 Belhaven Drive Springfield, IL 62704

Mary Erma Shable 19524 Weld County Road 44 LaSalle, CO 80645

Genevieve M. Yetter 19699 Weld County Road 52 LaSalle, CO 80544

Anadarko E&P Onshore LLC 1099 18th Street Denver, CO 80202 PDC Energy, Inc. 1775 Sherman Street, Suite 3000 Denver, CO 80203