

**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 NINE APPROXIMATE 320-ACRE DESIGNATED HORIZONTAL WELLBORE SPACING UNITS ESTABLISHED FOR SECTION 19, TOWNSHIP 7 NORTH, RANGE 65 WEST, 6<sup>TH</sup> P.M. AND SECTION 24, TOWNSHIP 7 NORTH, RANGE 66 WEST, 6<sup>TH</sup> 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 (“Commission”) for an order pooling all interests in nine approximate 320-acre horizontal wellbore spacing units established for certain portions of Section 19, Township 7 North, Range 65 West, 6<sup>th</sup> P.M. and Section 24, Township 7 North, Range 66 West, 6<sup>th</sup> 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 7 North, Range 65 West, 6<sup>th</sup> P.M.  
Section 19: NW $\frac{1}{4}$

Township 7 North, Range 66 West, 6<sup>th</sup> P.M.  
Section 24: NE $\frac{1}{4}$

Wellbore Spacing Unit (“WSU”) Nos. 1-9  
320 acres, more or less, Weld County, Colorado

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 nine 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. Waag #3 Well (API No. 05-123-40344) – Niobrara Formation – WSU #1;
- b. Waag #4 Well (API No. 05-123-40345) – Codell Formation – WSU #2;
- c. Waag #5 Well (API No. 05-123-40341) – Niobrara Formation – WSU #3;
- d. Waag #6 Well (API No. 05-123-40356) – Niobrara Formation – WSU #4;
- e. Waag #7 Well (API No. 05-123-40364) – Codell Formation – WSU #5;
- f. Waag #8 Well (API No. 05-123-40357) – Niobrara Formation – WSU #6;
- g. Waag #9 Well (API No. 05-123-40353) – Niobrara Formation – WSU #7;
- h. Waag #10 Well (API No. 05-123-40362) – Codell Formation – WSU #8; and
- i. Waag #11 Well (API No. 05-123-40360) – Niobrara Formation – WSU #9.

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. 1-9 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. 1-9 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 21 day of May, 2015.

Respectfully submitted,

**EXTRACTION OIL & GAS LLC**

By:   
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Jillian Fulcher  
Beatty & Wozniak, P.C.  
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Address of Applicant  
Extraction Oil & Gas LLC  
ATTN: Destenie McMillen  
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 14<sup>th</sup> day of May, 2015, by Destenie McMillen, Senior Landman for Extraction Oil & Gas LLC.

Witness my hand and official seal.

My commission expires: May 1, 2018

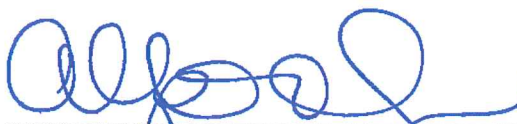
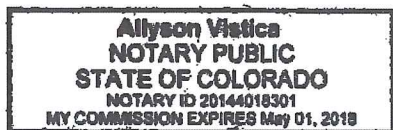
  
Notary Public

Exhibit A

Reference Map for Pooling Application

Township 7 North, Range 65 West, 6<sup>th</sup> P.M.

Section 19: NW $\frac{1}{4}$

Township 7 North, Range 66 West, 6<sup>th</sup> P.M.

Section 24: NE $\frac{1}{4}$

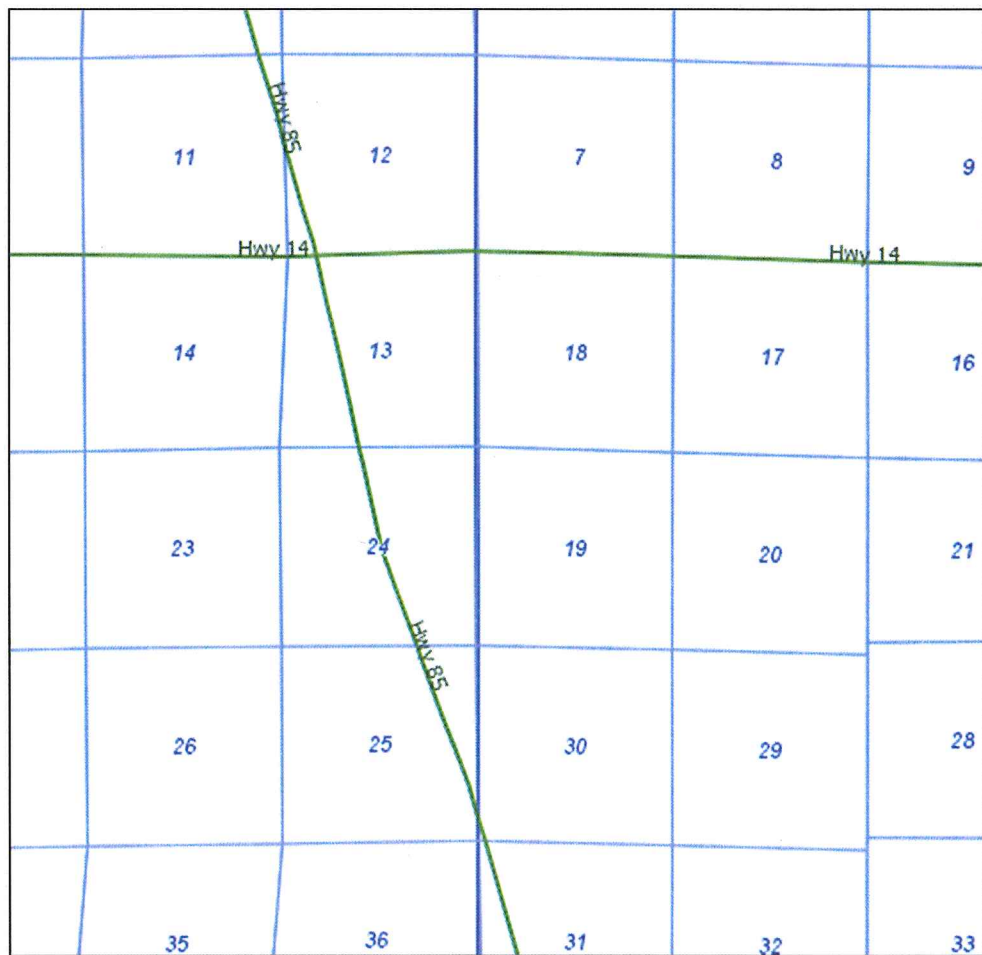


EXHIBIT B

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.

Elaine Waag Family Trust  
620 N. County Road #5  
Fort Collins, CO 80524

Charles R. Winter, Jr. and  
Charlene Jean Winter  
38119 WCR 37  
Eaton, CO 80615

City of Thornton  
9500 Civic Center Drive  
Thornton, CO 80229

Calvary Farms, LLC  
134 Oak Avenue  
Eaton, CO 80615

Mark Scheere  
38505 WCR 37  
Eaton, CO 80615

Nancy Loree Earls  
874 Vitala Drive  
Fort Collins, CO 80524

Janet Lee Roberts  
P.O. Box 336  
Ault, CO 80610

Jerald Charles Steele  
18681 County Road 80 1/2  
Ault, CO 80610

Stephanie Allyn Eagleberger f/k/a  
Stephanie Allyn Keplinger  
3051 North County Road 1  
Loveland, CO 80538

PDC Energy, Inc.  
1775 Sherman Street, Suite 3000  
Denver, CO 80203

Noble Energy, Inc.  
1001 Noble Energy Way  
Houston, TX 77070

Synergy Resources Corporation  
20203 Highway 60  
Platteville, CO 80651

Wildcat Energy, LLC  
245 E. 54th Street, Suite 5M  
New York, NY 10022

Copperhead Production, LLC  
P.O. Box 5297  
Englewood, CO 80155-5297

Estate of Loree Steele-Frye a/k/a Lois  
Loree Steele, deceased  
1308 Stover  
Fort Collins, CO 80524

Extraction Oil & Gas LLC  
ATTN: Drew Stout  
1888 Sherman Street, Suite 200  
Denver, CO 80203

