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

IN THE MATTER OF AN APPLICATION EXTRACTION OIL & GAS LLC FOR AN ORDER **POOLING** ALL **INTERESTS** IN **THREE DESIGNATED APPROXIMATE** 320-ACRE WELLBORE **SPACING** HORIZONTAL UNITS ESTABLISHED FOR SECTION 19, TOWNSHIP 7 NORTH, RANGE 65 WEST, 6TH P.M. AND SECTION 24, TOWNSHIP 7 NORTH, RANGE 66 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 ("Commission") for an order pooling all interests in three approximate 320-acre horizontal wellbore spacing units established for certain portions of Section 19, Township 7 North, Range 65 West, 6th P.M. and Section 24, Township 7 North, Range 66 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 7 North, Range 65 West, 6th P.M. Section 19: S½ NW¼, N½ SW¼

Township 7 North, Range 66 West, 6th P.M. Section 24: S½ NE¼, N½ SE¼

Wellbore Spacing Unit ("WSU") Nos. 1-3 320 acres, more or less, Weld County, Colorado

These lands are hereinafter referred to as the "Application Lands" and depicted in <u>Exhibit</u> 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 three 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 #12 Well (API No. 05-123-40361) Niobrara Formation WSU #1;
 - b. Waag #13 Well (API No. 05-123-40355) Codell Formation WSU #2; and
 - c. Waag #14 Well (API No. 05-123-40359) Niobrara Formation WSU #3.

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. 1-3 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. 1-3 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 4 day of May, 2015.

Respectfully submitted,

EXTRACTION OIL & GAS 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@bwenergylaw.com jfulcher@bwenergylaw.com

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 ______day of May, 2015, by Destenie McMillen, Senior Landman for Extraction Oil & Gas LLC.

Witness my hand and official seal.

My commission expires: May 2018

Allyson Vistica
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20144018301
MY COMMISSION EXPIRES May 01, 2018

Notary Public

Exhibit A

Reference Map for Pooling Application

Township 7 North, Range 65 West, 6th P.M. Section 19: S½ NW¼, N½ SW¼

Township 7 North, Range 66 West, 6th P.M. Section 24: S½ NE¼, N½ SE¼

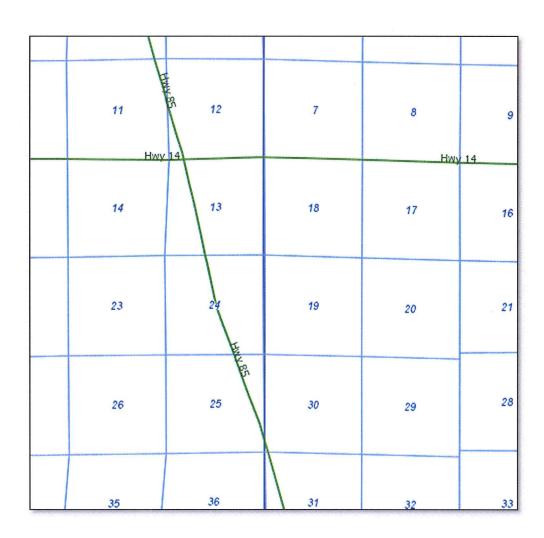


EXHIBIT B

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 CR 5 Fort Collins, CO 80524 Charles R. Winter, Jr. and Charlene Jean Winter 38119 CR 37 Eaton, CO 80615

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Dalton, LLC 1335 Hawkridge Road Eaton, CO 80615 Dalton Oil, LLC 1400 Falcon Ridge Road Eaton, CO 80615 Mark Scheere 38505 WCR 37 Eaton, CO 80615

Catheryn Louise Nichols Johnston aka Catheryn Louise Nichols Johnson 1457 Needham Road Eastview, KY 42732 Susan Kristi Nichols Roseveare aka Susan Kristi Roseveare 845 N. Cty Rd 23H Loveland, CO 80537

Dennis Paul Nichols P.O. Box 463 Frazier Park, CA 93225

Gregory R. Johnson 7383 Westmoreland Dr. Saint Louis, MO 63130 Phillip A. Johnson P.O. Box 683 Paonia, CO 81428

Margaret J. Randow 2705 White Horse Trail Austin, TX 78757

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

Wildcat Energy, LLC 245 E. 54th Street, Suite 5M New York, NY 10022 Joan Hill Omansiek, Trustee of The David D. Hill Trust, c/o Joan Hill Omansiek 1500 Fergason Avenue Deltona, FL 32725

Synergy Resources Corporation 20203 Highway 60 Platteville, CO 80651

Extraction Oil & Gas LLC ATTN: Drew Stout 1888 Sherman Street, Suite 200 Denver, Colorado 80203 The Estate of Elizabeth Louise Nichols, deceased 980 Nickel St.
Broomfield, CO 80020 (1990 Address)

Florence Bellamy 346 South Jasmine Denver, CO 80224 (1998 Address)

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

IN THE MATTER OF AN APPLICATION EXTRACTION OIL & GAS LLC FOR AN ORDER **POOLING INTERESTS** THREE ALL IN **DESIGNATED** APPROXIMATE 320-ACRE WELLBORE HORIZONTAL SPACING UNITS ESTABLISHED FOR SECTION 19, TOWNSHIP 7 NORTH, RANGE 65 WEST, 6TH P.M. AND SECTION 24, TOWNSHIP 7 NORTH, RANGE 66 WEST, 6TH P.M., FOR THE DEVELOPMENT/OPERATION OF THE CODELL AND NIOBRARA FORMATIONS. WATTENBERG FIELD, WELD COUNTY, COLORADO

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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 May 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 ______day of May, 2015.

Witness my hand and official seal.

TERESA L. PETERSON

MOYARY PUBLIC

STATE / MLORADO

NO MARIO 10394002026

MY COMMISSION EXPIRES 0CT.4, 2017

Notary Public