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

IN THE MATTER OF THE APPLICATION OF)	
CAERUS WASHCO LLC FOR AN ORDER TO)	
VACATE COMMISSION ORDERS 535-324)	Cause No.
AND 535-333 AND ESTABLISH AN)	
APPROXIMATE 1280-ACRE DRILLING AND)	Docket No.
SPACING UNIT AND APPROVE UP TO)	
TWENTY-EIGHT WELLS FOR SECTIONS 14)	
AND 15, TOWNSHIP 7 NORTH, RANGE 60)	
WEST, 6TH P.M., FOR THE NIOBRARA AND)	
CODELL FORMATIONS, UNKNOWN FIELD,)	
WELD COUNTY, COLORADO)	

APPLICATION

Caerus WashCo LLC (operator # 86610) ("Applicant"), by and through its attorneys, Davis Graham & Stubbs LLP, respectfully submits this Application to the Oil and Gas Conservation Commission of the State of Colorado (the "Commission"), pursuant to C.R.S § 34-60-116, for an order to vacate Commission Orders 535-324 and 535-330 and establish an approximate 1280-acre drilling and spacing unit for the production of oil, gas and associated hydrocarbons from the Niobrara and Codell Formations in the following lands:

Township 7 North, Range 60 West, 6th P.M. Section 14: All Section 15: All

Weld County, Colorado (collectively, the "Application Lands").

In support of its Application, Applicant states and alleges as follows:

- 1. Applicant is a limited liability company duly authorized to conduct business in the State of Colorado and is an operator in good standing with the Commission.
- 2. Applicant owns substantial leasehold interests in the Application Lands. A reference map of the Application Lands is attached as <u>Exhibit A</u>.
- 3. Rule 318.a. of the Rules and Regulations of the Commission requires that wells drilled in excess of 2,500 feet in depth shall be located not less than 600 feet from any lease line, and 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 order of the Commission upon hearing. Section 14, Township 7 North, Range 60 West, 6th P.M. is subject to this Rule for the Niobrara and Codell Formations. Section 15, Township 7 North, Range 60 West, 6th P.M. is subject to this Rule for the Codell Formation.
- 4. On May 6, 2013, the Commission entered Order 535-324 which, among other things, established an approximate 640-acre drilling and spacing unit for certain lands, including portions of the Application Lands, and approved up to four horizontal wells within the unit, with bottomhole locations of any permitted well to be no closer than 600 feet from the boundary of the unit, and no

closer than 150 feet from the productive interval of any other wellbore, for the production of oil and gas and associated hydrocarbons from the Niobrara Formation. Section 15, Township 7 North, Range 60 West, 6th P.M. is subject to this Order for the Niobrara Formation.

- 5. On May 6, 2013, the Commission entered Order 535-333 which, among other things, pooled all interests in the approximate 640-acre drilling and spacing unit established under Order 535-324. Section 15, Township 7 North, Range 60 West, 6th P.M. is subject to this Order for the Niobrara Formation.
- 6. Applicant requests that the Commission vacate Orders 535-324 and 535-333 and establish an approximate 1280-acre drilling and spacing unit underlying the Application Lands for the development and production from the Niobrara and Codell Formations.
- 7. Applicant requests that the Commission authorize up to twenty-eight horizontal wells within the unit, with twenty-four horizontal wells to be drilled to the Niobrara Formation and four horizontal wells to be drilled to the Codell Formation, with the productive interval of each such wellbore located no closer than 600 feet from the unit boundaries, and no closer than 100 feet from the productive interval of any other wellbore located within the unit, without exception being granted by the Director.
- 8. Applicant requests that the Commission authorize up to four wellpads within the unit or upon adjacent lands.
- 9. Applicant asserts that the proposed drilling and spacing unit will allow for the economic and efficient drainage of the Niobrara and Codell Formations, will prevent waste, will not adversely affect correlative rights, and will assure the greatest ultimate recovery of oil, gas and associated hydrocarbons from the Niobrara and Codell Formations. The proposed 1280-acre drilling and spacing unit is not smaller than the maximum area that can be economically and efficiently drained by the proposed wells in the Niobrara and Codell Formations.
- 10. Pursuant to Rule 507.b.(1), the names and addresses of the interested parties to this Application are set forth in <u>Exhibit B</u>, and the undersigned certifies that copies of this Application shall be served on each interested party 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 the Commission enter its order:

- A. Vacating Orders 535-324 and 535-333 and establishing an approximate 1280-acre drilling and spacing unit comprised of the Application Lands for the development and production from the Niobrara and Codell Formations;
- B. Authorizing up to twenty-eight horizontal wells within the unit, with twenty-four horizontal wells to be drilled to the Niobrara Formation and four horizontal wells to be drilled to the Codell Formation, with the productive interval of each wellbore located no closer than 600 feet from the unit boundaries, and no closer than 100 feet from the productive interval of any other wellbore located within the unit, without exception being granted by the Director;
 - C. Authorizing up to four wellpads within the unit or upon adjacent lands; and

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

Dated: May **2**, 2015

Respectfully submitted,

DAVIS GRAHAM & STUBBS LLP

Greg Nibert Jr.

Davis Graham & Stubbs LLP

Attorney for Applicant 1550 17th Street-Suite 500

Denver, CO 80202

Address of Applicant Caerus WashCo LLC Attn: Jeff Grisham 600 17th Street, Suite 1600N Denver, CO 80202

VERIFICATION

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

Jeff Grisham, of lawful age, being first duly sworn upon oath, deposes and says that he is a Landman for Caerus WashCo LLC and that he has read the foregoing Application and that the matters therein contained are true to the best of his knowledge, information and belief.

CAERUS WASHCO LLC

Jeff Grisham, Landman

Subscribed and sworn to before me this 20th day of May, 2015.

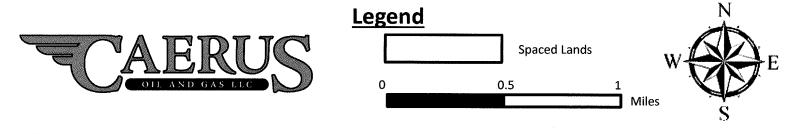
Witness my hand and official seal.

My commission expires: 12 12 2010

CHRISTINE E. CARMICHAEL
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20124080327
MY COMMISSION EXPIRES 12/12/2016

Notary Public

*				
	9	10 7N 60W	11	12
	16	15	14	13
	21	22	23	24



Spacing Unit Map Exhibit A 05/21/2015

7N-60W, Sec 15 and 14: All 1280 Acres more or less

Exhibit B Interested Parties

Caerus WashCo LLC 600 17th St., Suite 1600N Denver, CO 80202

Cheryl S. Becker and Daniel J. Becker 917 Krista Kort Brush, CO 80723

Stacey Q. Miller dba Pouder Production Properties PO Box 342 Laporte, CO 80535

Kerr-McGee Oil & Gas Onshore LP 1099 18th St, #1500 Denver, CO 80202

Mark Scaniello 5652 Cascade Place Boulder, CO 80303

Greenback X 5652 Cascade Place Boulder, CO 80303

SunRyder PO Box 790 Sedalia, CO 80135

Johnnie Dormier PO Box 567 Throckmorton TX 76483

Jennifer Sheriff 1330 Wentwood Dr Colorado Springs, CO 80919

Schneider Oil & Gas LLC PO Box 297 Ft Morgan, CO 80701

McGahey Oil LLC 820 16th St, Suite 714 Denver, CO 80202 Michael F. Schmidt PO Box 2297 Greeley, CO 80632

Energy Projects Inc 7476 Nuthatch Circle Parker, CO 80134

D. Scott Stapp 14240 W 71st Ave Arvada, CO 80004

Colby J. Becker and Kristin K. Becker 917 Krista Kort Brush, CO 80723

Robert and Sharon Maxwell PO Box 343 New Plymouth ID 83655

Kim and Jaynce Paulsen 8019 W. Buckskin Rd Pocatello ID 83201

Keith Beamer PO Box 55 LaSalle, CO 80645

Chase Magg PO Box 55 LaSalle, CO 80645

Mike Zink PO Box 85 Windsor, CO 80550

Fred Buchholz and Melissa Buchholz 15380 Kirby St Hudson, CO 80642

Ron Bowen 3685 E. Wade Drive Colorado Springs, CO 80917 Rival Energy LLC PO Box 297 Ft Morgan, CO 80701

John Hans 1789 Tragone Drive Pittsburg PA 15241

Rival Services Inc PO Box 297 Ft Morgan, CO 80701

Wilson Energy Partners 13850 Berry Rd Golden, CO 80401

HS Resources, Inc 1999 Broadway, Suite 3600 Denver, CO 80202

Karen Oil Company 518 17th St, Suite 340 Denver, CO 80202

Russell C. Epple 16436 County Rd 19 Ft Morgan, CO 80701

Dean R. Gackle Margaret B. Gackle 12 Foothill Ash Littleton, CO 80127

Prospect Oil Inc PO Box 450 Erie, CO 80516

Griff Oil & Gas Inc PO Box 450 Erie, CO 80516

James A. Smith 3837 East 133rd Court Denver, CO 80241 Smith Oil Properties, Inc 518 17th St, Suite 360 Denver, CO 80202

Stone Investment Group 803 Arapahoe Ft Morgan, CO 80701

Zoey Exploration LTD 1720 Wazee St, Suite 2E Denver, CO 80202

Channel Petroleum Inc 1616 17th St, Suite 462 Denver, CO 80202

Bert Conner, Jr Wilda L.V. Conner 1440 South Troy Street Aurora, CO 80012

Arthur & Elaine Ferguson 3042 South Ivan Way Denver, CO 80227

Damian Lederhos 122 North 2nd Street Sterling, CO 80751

Steve Sander 669 Washington St #705 Denver, CO 80203

James E. & Sally Kurtzman 644 Peoria St Aurora, CO 80011

William A. Venohr PO Box 523 Sterling, CO 80751

Forward Resources, Inc 13562 Addish Street Commerce City, CO 80022 Gilbert L. Lederhos 9525 Newton Street Westminster, CO 80030

C.M. Lederhos 7777 Alkire Street Arvada, CO 80005

Gunsmoke Production Company 1720 Wazee St, Suite 2E Denver, CO 80202

Alvin R. Arlian 6860 South Salida Court Foxfield, CO 80016

Arlian, Inc 6860 South Salida Court Foxfield, CO 80016

B & C Partnership 1801 Broadway, Suite 480 Denver, CO 80202

William G. Bertles, dba Bertles Oil & Gas 13466 West Iliff Ave Lakewood, CO 80228

Bennie C. Griffin PO Box 670 Byers, CO 80103

Kyle Griebel PO Box 450 Erie, CO 80516

Edward J. Hans c/o Seidler Amdec Securities, Inc 515 S. Figueroa St Los Angeles CA 90071

Harold M. Klausner 6858 WCR 79 Roggen, CO 80652 Paul E. Page PO Box 450 Erie, CO 80516

Harvey & Iona Rhodig, JT Address Unknown

Fred Rothauge 7754 Ute Way Longmont, CO 80503

Joseph J. C. Paine 475 17th Street, Suite 716 Denver, CO 80202

Patrick M. Groom, as Personal Representative of the Estate of John E. Ullmann 822 7th Street, Suite 760 Greeley, Colorado 80631

John D. Adams 3950 NW 27th Avenue Boca Raton, Florida 33434

Amber Waves, a General Partnership 25210 Highway 392 Greeley, Colorado 80631

Patricia A. Truesdell 2205 37th Street, Apartment 40 Evans, Colorado 80620

Kristine K. McMunn, a.k.a Kristine McMunn, f.k.a Kristine Kiefer 10813 Weather Vane Road Richmond, Virginia 23233

Carol Kiefer 202 Nottinghill Walk Apex, North Carolina 27502

Three Crown Petroleum, LLC P.O. Box 774327 Steamboat Springs, Colorado 80477

Continental Resources, Inc. 20 North Broadway Oklahoma City, Oklahoma 73102

Esenjay Oil & Gas, LTD 500 North Water St., Suite 1100 South Corpus Christi, Texas 78401

Sharp Energy Resources, LLC 252 Clayton Street, 4th Floor Denver, Colorado 80206

ActOil Colorado, LLC 730 Third Avenue, 4th Floor New York, New York 10017

Weldco Resources, LLC 600 17th Street, Suite 1600N Denver, Colorado 80202

Red Hawk Petroleum, LLC 4125 Blackhawk Plaza Circle, Ste. 201A Danville, California 94506

Totalfina Elf E&P USA, Inc. 800 Gessner, Suite 700 Houston, TX 77024

Tindall Operating Company 7200 East Dry Creek Road, Suite F-205 Englewood, CO 80112

Springfield Oil Company 27619 Brook Drive Hot Springs, SD 57747

Sonny G. Paul P.O. Box 114 LaSalle, CO 80645

Margaret L. Mason 205 Sunset Drive, Box 81 Sedona, AZ 86336

Pegasus Minerals, LLC 3500 Oaklawn Ave. Dallas, TX 75219 Double Eagle Energy Rockies, LLC 1401 Ballinger St., #203 Fort Worth, TX 76102

Acoma Energy, LLC 3801 E. Florida Ave., Suite 508 Denver, CO 80210

OKREEK Oil and Gas, LLC 999 18th St., Suite 1120S Denver, CO 80202

Winn Exploration Co., Inc. 800 North Shoreline Blvd., suite 1900N Corpus Christi, TX 78401

Crain Energy, LTD 222 East Tyler St. P.O. Box 2146 Longview, TX 75606

Lacy Properties, LTD. 222 East Tyler St. P.O. Box 2146 Longview, TX 75606

Prima Exploration, Inc. 100 Fillmore St., Suite 450 Denver, CO 80206

Three Crown Petroleum P.O. Box 774327 Steamboat Springs, CO 80477

Troy Swain - LGD Weld County Department of Planning Services 1555 North 17th Avenue Greeley, CO 80631

Tom Schreiner, Energy Liaison Colorado Parks and Wildlife Northeast Region Office 6060 Broadway Denver, CO 80216 Kent Kuster Oil & Gas Consultant Coordinator CDPHE 4300 Cherry Creek Drive South Denver, CO 80246-1530

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

IN THE MATTER OF THE APPLICAT CAERUS WASHCO LLC FOR AN OR VACATE COMMISSION ORDERS AND 535-333 AND ESTABLIS APPROXIMATE 1280-ACRE DRILLIN SPACING UNIT AND APPROVE TWENTY-EIGHT WELLS FOR SECTI AND 15, TOWNSHIP 7 NORTH, RAWEST, 6TH P.M., FOR THE NIOBRAL CODELL FORMATIONS, UNKNOWN WELD COUNTY, COLORADO	DER TO) 535-324) H AN) NG AND) UP TO) ONS 14) NGE 60) RA AND)	Cause No. Docket No.
Al	FFIDAVIT OF M	<u>AILING</u>
STATE OF COLORADO)	
CITY AND COUNTY OF DENVER)ss.)	
Greg Nibert Jr., of lawful age, ar	nd being first du	y sworn upon his oath, states and declares:
	cation to be de	C, and that on or before May <u>78</u> , 2015, he posited in the United States Mail, postage the Application.
	Greg N	ibert Jr.
Subscribed and sworn to before	me May <u>21</u> , 2	015.
Witness my hand and official sea	al.	
My commission expires:	-21-17.	
SUSANNE JOSLIN NOTARY PUBLIC STATE OF COLORADO NOTARY ID 20094002376 MY COMMISSION EXPIRES JANUARY 21, 2017	Sus Notary	Public Public