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

IN THE MATTER OF AN APPLICATION BY ANADARKO E&P ONSHORE LLC FOR AN ORDER ESTABLISHING AN APPROXIMATE 1,299.82-ACRE DRILLING AND SPACING UNIT FOR SECTIONS 18 (LOTS 1-4), 19 AND 30, TOWNSHIP 12 NORTH, RANGE 65 WEST, 6TH P.M., AND AUTHORIZING THE DRILLING OF UP TO SEVEN (7) HORIZONTAL WELLS IN THE PROPOSED UNIT FOR PRODUCTION FROM THE NIOBRARA FORMATION, UNNAMED FIELD, WELD COUNTY, COLORADO

CAUSE NO.

DOCKET NO.

APPLICATION

Anadarko E&P Onshore LLC, Operator No. 2800 ("Anadarko" 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 to: (1) vacate Order No. 535-6, but only as to Sections 18 (Lots 1-4) and 19, Township 12 North, Range 65 West, 6th P.M.; and (2) establish an approximate 1,299.82-acre drilling and spacing unit for Sections 18 (Lots 1-4), 19 and 30, Township 12 North, Range 65 West, 6th P.M., and authorize the drilling of up to seven (7) horizontal wells within the proposed unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation. In support of its Application, Applicant states and alleges as follows:

- 1. Applicant is a 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 and/or mineral interests in the below-listed lands:

Township 12 North, Range 65 West, 6th P.M.

Section 18: Lots 1-4 (approximately 39.42 acres, more or less)

Section 19: All (approximately 627.44 acres, more or less)

Section 30: All (approximately 632.96 acres, more or less)

Approximately 1,299.82-acres, more or less, Weld County, CO ("Application Lands"). A map depicting the acreage comprising the Application Lands is attached hereto and marked as <u>Exhibit A</u>.

- 3. Rule 318.a. of the Commission Rules provides a well to be drilled 2,500 feet or greater shall be located not less than 600 feet from any lease line, and shall be 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 the Commission upon hearing.
- 4. On April 4, 2011, the Commission approved Order No. 535-6 which, among other things, established an approximate 666.86-acre drilling and spacing unit for Sections 18 (Lots 1-4) and 19, Township 12 North, Range 65 West, 6th P.M., for the

production of oil, gas and associated hydrocarbons from the Niobrara Formation, and approved two horizontal wells within the unit. Portions of the Application Lands are subject to this order for the Niobrara Formation. Upon information and belief of the Applicant, there are no horizontal wells drilled or producing pursuant to this order in Sections 18 (Lots1-4) and 19, Township 12 North, Range 65 West, 6th P.M.

5. Applicant requests that the Commission vacate Order No. 535-6, but only as to the Sections 18 (Lots 1-4) and 19, Township 12 North, Range 65 West, 6th P.M. so as to allow for development of the Application Lands with long-lateral horizontal wellbores, thereby fostering economic and efficient development of the acreage, minimizing surface impacts, preventing waste and protecting correlative rights.

6. Niobrara Formation – Drilling and Spacing Unit

- (a) Applicant requests the Commission establish the Application Lands as an approximate 1,299.82-acre drilling and spacing unit for the Niobrara Formation pursuant to §34-60-116(2), C.R.S. and Rule 503.b.(1). For the Application Lands, the proposed drilling unit is not smaller than the maximum area that can be economically and efficiently drained by the horizontal wells proposed to be drilled under this Application and completed in the Niobrara Formation.
- (b) Applicant requests it be authorized to drill and complete up to seven (7) horizontal wells in the approximate 1,299.82-acre drilling and spacing unit for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation pursuant to §34-60-116(4), C.R.S., to economically and efficiently recover resources, while minimizing surface impacts, creating efficiencies for drilling and production, increasing the ultimate recovery of the reserves, preventing waste, and protecting correlative rights.
- (c) Applicant further requests that, for any permitted wells to be drilled within the proposed drilling and spacing unit, the treated intervals of the wellbore should be no closer than 330 feet from the unit boundaries, and not less than 150 feet from the productive interval of any other wellbore located in the unit, without exception being granted by the Director.
- 7. Applicant states that any horizontal well to be drilled under this Application will be drilled from the surface of the drilling unit, or on adjacent lands with consent of the landowner, without exception being granted by the Director.
- 8. A portion of the minerals underlying the proposed drilling and spacing unit are owned by the United States of America. As such, Applicant will obtain a Communitization Agreement from the Bureau of Land Management ("BLM") upon approval of the proposed drilling and spacing unit.
- 9. 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.
- 10. Applicant requests that relief granted under this Application should be effective on oral order by the Commission, and Applicant hereby agrees to being bound by said oral order.

11. The undersigned certifies that copies of this Application will be served on each interested party as required by Rule 507 within seven (7) days of the filing hereof, 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. Vacating Order No. 535-6, but only as to Sections 18 (Lots 1-4) and 19, Township 12 North, Range 65 West, 6th P.M.
- B. Establishing an approximate 1,299.82-acre drilling and spacing unit for the Application Lands, and authorizing the drilling of up to seven (7) horizontal wells within the proposed unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation, with the treated intervals of the wellbore of any permitted wells to be located not less than 330 feet from the unit boundaries, and not less than 150 feet from the treated interval of any well being drilled or producing from the same formation, without exception being granted by the Director.
- C. Providing that relief granted under this Application be effective on oral order by the Commission, relying on the Applicant's desire to be bound by said oral order.
- D. For such other findings and orders as the Commission may deem proper or advisable.

Dated: August 2 , 2015.

Respectfully submitted,

ANADARKO E&P ONSHORE LLC

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

Applicant's Address:
Anadarko E&P Onshore LLC
Jason Rayburn, Senior Landman
1099 18th Street
Denver, CO 80202

VERIFICATION

) ss.				
CITY & COUNTY OF DENVER)				
Jason Rayburn, Senior Landman for Anadarko E&P Onshore LLC, upon oath deposes and says that he has read the foregoing Application and that the statements contained therein are true to the best of his knowledge, information and belief.				
ANADARKO E&P ONSHORE LLC				
Jason Rayburn				
Subscribed and sworn to before me this 2 5th day of August, 2015, by Jason Rayburn, Senior Landman for Anadarko E&P Onshore LLC.				
Witness my hand and official seal.				
My commission expires: 9/21/2019 **Rody algiere** Notary Public				
KATHY ALGIENE NOTARY PUBLIC STATE OF COLORADO NOTARY ID 20034013016 MY COMMISSION EXPIRES 09/21/2019				

Exhibit A Reference Map for Spacing Application

Township 12 North, Range 65 West, 6th P.M.

Section 18: Lots 1-4 (approximately 39.42 acres, more or less)
Section 19: All (approximately 627.44 acres, more or less)
Section 30: All (approximately 632.96 acres, more or less)

23	13 24	18 19	20	21
26	25	30	29	28 12N65W
35	36	31	32	33
2	1	6	5	4

^{*} Lands shaded in green lying and being within the State of Wyoming.

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CAUSE NO.

DOCKET NO. 151000561

<u>AFFIDAVIT OF MAILING</u>

STATE OF COLORADO		
) ss	
CITY & COUNTY OF DENVER)	

Jillian Fulcher, of lawful age, and being first duly sworn upon her oath, states and declares:

That she is an attorney at Beatty & Wozniak, P.C., attorneys for Anadarko E&P Onshore LLC, and on or before August 28, 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 A attached hereto.

Hillian Fulcher

Subscribed and sworn to before me this <u>a</u> day of August, 2015.

Witness my hand and official seal.

Notary Public

TERESA L. PETERSON
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 19894002026
MY COMMISSION EXPIRES OCT.4, 2017

EXHIBIT A

INTERESTED PARTIES

The names and addresses of the interested parties according to the information and belief of the Applicant are set forth in this <u>Exhibit A</u>.

Anadarko E&P Company, LP 1099 18th Street, Suite 1800 Denver, CO 80202

Anadarko Oil & Gas, LLC 1099 18th Street, Suite 1800 Denver, CO 80202

Carl Herrin P.O. Box 329 Jackson, MS 39205

Cirque Brennsee, LLC 475 17th Street, Suite 1600 Denver, CO 80202

EOG Resources, Inc. 600 17th Street, Suite 1000N Denver, CO 80202

Gail Lynn Hankin 130 Taylor Laramie, WY 82070

George S. Dennis P.O. Box 1823 Jackson, MS 39215

Gerald A. Patterson, heir of Phillis E. Patterson, deceased and Charles E. Patterson, deceased 4762 E. Hedges Ave. Fresno, CA 93703

Glacier Land Services, LLC P. O. Box 3982 Centennial, CO 80161

Jerry Dean Hankin 130 Taylor Laramie, WY 82070

Kenneth Lee Wold 130 Taylor Laramie, WY 82070

Kudzu Oil Properties, LLC 300 Concourse Blvd., Ste. 101 Ridgeland, MS 39157

Lazy D Grazing Association 14503 WCR 108 Nunn, CO 80648 Lorraine Kay Wold 130 Taylor Laramie, WY 82070

Noble Energy Inc. Attn: COGCC Land Coordinator 1625 Broadway St., Suite 2200 Denver, CO 80202

Timonthy Steven Wold 130 Taylor Laramie, WY 82070

William L. Patterson, a married man, heir of Phillis E. Patterson, deceased and Charles E. Patterson, deceased 6796 Armour Dr. Oakland, CA 94611

Tom Schreiner, Energy Liaison Colorado Parks and Wildlife Northeast Region Office 6060 Broadway Denver, CO 80216

Kent Kuster
Oil & Gas Consultant Coordinator
Colorado Department of
Public Health & Environment
4300 Cherry Creek Drive South
Denver, CO 80246-1530

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

Bureau of Land Management 2850 Youngfield Street Lakewood, Colorado 80215-7093

State of Colorado 1127 Sherman St. Denver, CO 80203

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

IN THE MATTER OF AN APPLICATION BY ANADARKO E&P ONSHORE LLC FOR AN ORDER ESTABLISHING AN APPROXIMATE 1,299.82-ACRE DRILLING AND SPACING UNIT FOR SECTIONS 18 (LOTS 1-4), 19 AND 30, TOWNSHIP 12 NORTH, RANGE 65 WEST, 6TH P.M., AND AUTHORIZING THE DRILLING OF UP TO SEVEN (7) HORIZONTAL WELLS IN THE PROPOSED UNIT FOR PRODUCTION FROM THE NIOBRARA FORMATION, UNNAMED FIELD, WELD COUNTY, COLORADO

CAUSE NO. 407

DOCKET NO. 151000561

SUPPLEMENTAL AFFIDAVIT OF MAILING

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

Chanda Thomsen, 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 Anadarko E&P Onshore LLC, and on or before September 21, 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 A attached hereto.

Chanda Thomsen

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

Witness my hand and official seal.

MARTHA A. LAIR
Notary Public
State of Colorado
20044012086
My Commission Expires April 16, 2016

MasHa (1 Zass Notary Public

EXHIBIT A

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 A.

ALBERT LLOYD CASHMAN AND SHARON D. CASHMAN 9728 BRANDING IRON DRIVE CHEYENNE, WY 82009

ANADARKO LAND CORP. 1099 18TH STREET, SUITE 1800 DENVER, CO 80202

DENNIS J. STEPHAN P.O. BOX 692 CHEYENNE, WY 82003

GAIL LYNN HANKIN 130 TAYLOR ST. LARAMIE, WY 82070

GERALD A. PATTERSON, HEIR OF PHILLIS E. PATTERSON, DECEASED AND CHARLES E. PATTERSON, DECEASED 4762 E. HEDGES AVENUE FRESNO, CA 93703

JERRY DEAN HANKIN P.O. BOX 742 LARAMIE, WY 82073

JUNIOR F. STEPHAN, AND LOREEN STEPHAN, HUSBAND AND WIFE P.O. BOX 692 CHEYENNE, WY 82003

KENNETH LEE WOLD P.O. BOX 5 HILLSDALE, WY 82060

LAZY D GRAZING ASSOCIATION 14503 COUNTY ROAD 108 MUNN, CO 80610

LORRAINE KAY WOLD 1713 5TH AVENUE SCOTTSBLUFF, NE 69361

LYNETTE ANN GIERHART 636 CHEYENNE DRIVE #43 FORT COLLINS, CO 80525 MARIE WOLD 130 SOUTH 2013 TAYLOR STREET LARAMIE, WY 82070

MARIE WOLD 8302 MONTGOMERY CIRCLE SAN ANTONIO, TX 78239

ROBERTA LITKE 4121 UNDIMMED CIRCLE COLORADO SPRINGS, CO 80917

JOANN CORY 1122 REEVES DRIVE GRAND FORKS, ND 58201

JANET NEUMAN 3915 JASMINE ST. COLORADO SPRINGS, CO 80917

THE DAVID A. HANKIN TRUST 2010 EAST 16TH ST. CHEYENNE, WY 82001

TIMONTHY STEVEN WOLD 4120 VAN BUREN AVE CHEYENNE, WY 82001

WILLIAM L. PATTERSON, A MARRIED MAN, HEIR OF PHILLIS E. PATTERSON, DECEASED, AND CHARLES E. PATTERSON, DECEASED 6796 ARMOUR DR. OAKLAND, CA 94611