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 AN APPROXIMATE 640-ACRE DESIGNATED HORIZONTAL WELLBORE SPACING UNIT ESTABLISHED FOR SECTIONS 29 AND 32, TOWNSHIP 2 NORTH, RANGE 67 WEST, 6TH P.M., FOR THE DEVELOPMENT/OPERATION OF THE NIOBRARA FORMATION, 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 an approximate 640-acre horizontal wellbore spacing unit established for certain portions of Sections 29 and 32, Township 2 North, Range 67 West, 6th P.M., for the development and operation of the Niobrara Formation. 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 2 North, Range 67 West, 6th P.M.

Section 29: W½E½, E½W½ Section 32: W½E½, E½W½

Wellbore Spacing Unit ("WSU") No. 1 640 acres, more or less, Weld County, Colorado

These lands are hereinafter referred to as the "Application Lands" and depicted in <u>Exhibit A</u> 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 an approximate 640-acre horizontal wellbore spacing unit, comprised of the Application Lands, for the below-

described well, for the production of oil, gas and associated hydrocarbons from Niobrara Formation. Applicant notified all owners in the proposed wellbore spacing unit pursuant to Rule 318A.e.(5). Applicant did not receive objections to the establishment of the proposed horizontal wellbore spacing unit within the 30-day response period:

a. Troudt #8 Well (API No. 05-123-41439) – Niobrara Formation – WSU #1.

This well is hereinafter referred to as the "Subject Well."

- 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 WSU No. 1 established for the Application Lands, for the development and operation of the Niobrara Formation.
- 6. 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 §34-60-116(7)(b), C.R.S. are first incurred for the drilling of the Subject Well within WSU No. 1.
- 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 the Subject Well, 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 the Subject Well.
- 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 WSU No. 1 established for the Application Lands, for the development and operation of the Niobrara Formation, effective as of the earlier of the date of this Application, or the date that the costs specified in §34-60-116(7)(b), C.R.S. are first incurred for the drilling of the Subject Well within WSU No. 1.

- 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 the Subject Well, 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 the Subject Well.
- C. For such other findings and orders as the Commission may deem proper or advisable in the premises.

DATED this 27 day of August, 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: Jason Lowrey
370 17th Street, Suite 5300
Denver, CO 80202

VERIFICATION

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

Jason Lowrey, Senior Landman for Extraction Oil & Gas 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.

EXTRACTION OIL & GAS LLC

Jason Lowrey

Witness my hand and official seal.

My commission expires: 1/21/2018

JESSE NICOLE SCHMIDT

NOTARY PUBLIC

STATE OF COLORADO

NOTARY ID 20144002537

MY COMMISSION EXPIRES JANUARY 21, 2018

Vetary Public

Exhibit A

Reference Map for Pooling Application

Township 2 North, Range 67 West, 6th P.M. Section 29: W½E½, E½W½ Section 32: W½E½, E½W½

13	18	17	16	15	14
24	19	20	2N6 21	22	23
25	30	29	28	27	26
36	31	32 Hwy 5 2	. 33	34	35
1	6	5	4	3	Hwy 52

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.

Anadarko E&P Onshore LLC 1099 18th Street, Suite 1800 Denver, CO 80202

Brett R. Cary and Kathleen P. Cary 2355 County Road CC Orchard, CO 80649

C & M Resources LLC 16 Sunset Circle Longmont, CO 80501

Charles Emerson Hamly 6012 B Curtier Drive Alexandria, VA 22310

Charles Grant P.O. Box 908 Longmont, CO 80502

Charles Stromquist 12189 Oxford Road Longmont, CO 80504

Colorado National Bank of Denver, Colorado, as Trustee under the Will of Charles W. Emerson, Deceased Address Unknown

Crosier, Kelly & Hall Partnership 5285 S Laredo Way Centennial, CO 80015-4153

Dorotha Stromquist Ekx 1097 Purdue Dr. Longmont, CO 80503

Dorothy T. Clark, aka Dorothy T. Wagoner 1600 South Quebec Way #11 Denver, CO 80231 Douglas Grant 1217 Fox Hill Drive Longmont, CO 80501

Edward A. Teets 1229 Chantilly Road Los Angeles, CA 90077

Encana Oil & Gas (USA) Inc 370-17 Street, Suite 170 Denver, CO 80202

Glenn S. Cook and Gayle L. Cook, as Trustees of the Glenn S. Cook Trust No. 1 dated February 1, 2011 200 Kahil Place Fort Lupton, CO 80261

Heirs or Devisees of Harry Gumeson, Deceased Address Unknown

Hellen Rice Crowe Living Trust P.O. Box 27581 Tempe, AZ 85285

Hurley Holding Co., LLC 9 Wickersell Court Columbia, SC 29212

Irene H. Hamly, as Successor Trustee of the Irene H. Hamly Trust P.O. Box 1061
Black Mountain, NC 28711

J. Robert Gumeson Address Unknown

James A. Brunemeier and Beverly J. Brunemeier 2526 CR 10 Erie, CO 80516

James Perrin Rice 1222 Lanyon Lane Longmont, CO 80503

Jamie Modrall, nka Jamie Bybee 10114 Wyandott Circle North Thornton, CO 80260

Jerri Lynn Modrall Doering, aka Jerri Lynn Doering, nka Jerri Lynn Modrall 9025 Silver Birch Blvd. Frederick, CO 80530

JLW Investment, L.L.C. 351 Glencoe St. Denver, CO 80220

Jon McClellan Rice 1222 Lanyon Lane Longmont, CO 80503

Karen P. Miller 200 Kahil Place Fort Lupton, CO 80261

KBL Mineral Company LLC 410 17th Street, Suite 1150 Denver, CO 80202

Kerr McGee Oil and Gas Onshore LP 1099 18th Street Denver, CO 80202

Kim Wallace Hartman 13104 Manor Blvd. East Burnsville, MN 55337

Lillian Gumeson Perrine No Address Found

Lorraine Stromquist Knaus 8152 North 119th Street Longmont, CO 80501

Mallard LLC 1649 Metropolitan Drive Longmont, CO 80504

Margaret Boyle Jorgensen, aka Margaret Smith Boyle Address Unknown NRC-CO 1, LLC 755 East Mulberry, Suite 600 San Antonio, Texas 78212

Oxford Mission, fka Oxford Mission to Calcutta 22 The Harrage Romsey, Mants 5051 8HE, England

Richard John Hartman 1651 Adams Street Denver, CO 80206

Ronald L. Anderson and Imrie V. Anderson, Co-Trustees of The Ronald and Imrie Anderson Family Trust dated July 21, 2006 10161-3 Larwin Avenue Chatsworth, CA 91311

Rowland Emerson Hamly 106 Terrace Lane International Falls, MN 56649

Synergy Resources Corporation 20203 Highway 60 Platteville, CO 80651

The Farmers Reservoir and Irrigation Company 80 S 27th Ave.
Brighton, CO 80601

Therese Elizabeth Coe, Trustee 2617 E. Sylvia Tucson, AZ 85716

Wallace Grant P.O. Box 908 Longmont, CO 80502

Wallace H. Grant, Douglas Grant, and Charles Miller Grant c/o Wallace H. Grant, P.O. Box 908, Longmont, CO 80502

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 AN APPROXIMATE 640-ACRE DESIGNATED HORIZONTAL WELLBORE SPACING UNIT ESTABLISHED FOR SECTIONS 29 AND 32, TOWNSHIP 2 NORTH, RANGE 67 WEST, 6TH P.M., FOR THE DEVELOPMENT/OPERATION OF THE NIOBRARA FORMATION, WATTENBERG FIELD, WELD COUNTY, COLORADO

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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 Extraction Oil & Gas LLC, and on or before September 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.

Chanda Thomsen

Subscribed and sworn to before me this day of August, 2015.

Witness my hand and official seal.

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

Notary Public