

**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
160-ACRE DESIGNATED HORIZONTAL WELLBORE
SPACING UNIT ESTABLISHED FOR SECTIONS 7
AND 8, TOWNSHIP 6 NORTH, RANGE 65 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 160-acre horizontal wellbore spacing unit established for certain portions of Sections 7 and 8, Township 6 North, Range 65 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 6 North, Range 65 West, 6th P.M.

Section 7: N $\frac{1}{2}$ NE $\frac{1}{4}$

Section 8: N $\frac{1}{2}$ NW $\frac{1}{4}$

Wellbore Spacing Unit ("WSU") No. 1
160 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 an approximate 160-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 the 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. Janssen #4 Well (API No. Pending) – Niobrara Formation – WSU #1;

The above 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 8 day of October, 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: Ellen Brown
370 17th Street, Suite 5300
Denver, CO 80202

VERIFICATION

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

Allyson Vistica, Land Manager 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



Allyson Vistica

Subscribed and sworn to before me this 7th day of October, 2015, by Allyson Vistica, Land Manager for Extraction Oil & Gas LLC.

Witness my hand and official seal.

My commission expires: 8/22/18



Notary Public



Exhibit A

Reference Map for Pooling Application

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

Section 7: N $\frac{1}{2}$ NE $\frac{1}{4}$

Section 8: N $\frac{1}{2}$ NW $\frac{1}{4}$

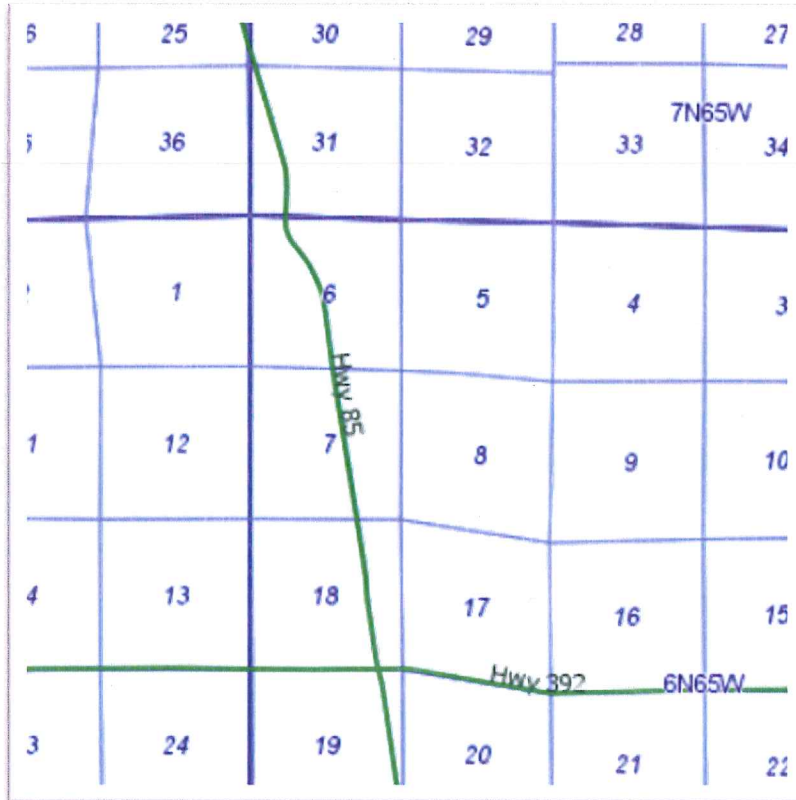


EXHIBIT B

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.

The McClellan Reservoir Company
3545 Weld County Road 41
Eaton, CO 80615

Francis Energy, Inc.
PO Box 2331
Greeley, CO 80632

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