

**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 TWO APPROXIMATE
480-ACRE DESIGNATED HORIZONTAL WELLBORE
SPACING UNIT ESTABLISHED FOR SECTIONS 4
AND 5, TOWNSHIP 2 NORTH, RANGE 68 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 two approximate 480-acre horizontal wellbore spacing unit established for certain portions of Sections 4 and 5, Township 2 North, Range 68 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 2 North, Range 68 West, 6th P.M.

Section 4: N $\frac{1}{2}$ SW $\frac{1}{4}$, S $\frac{1}{2}$ NW $\frac{1}{4}$

Section 5: N $\frac{1}{2}$ S $\frac{1}{2}$, S $\frac{1}{2}$ N $\frac{1}{2}$

Wellbore Spacing Unit ("WSU") Nos. 1 and 2

480 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 two approximate 480-acre horizontal wellbore spacing unit, comprised of the Application Lands, for the below-

described wells, for the production of oil, gas and associated hydrocarbons from the Codell and 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. Fairview #9 Well (API No. 05-123-41520) – Codell Formation – WSU #1;
and
- b. Fairview #10 Well (API No. 05-123-41517) – Niobrara Formation – WSU #2.

The above 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 WSU Nos. 1 and 2 established for the Application Lands, for the development and operation of the Codell and Niobrara Formations.

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 each of the Subject Wells within WSU Nos. 1 and 2.

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 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. 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. Pooling all interests in WSU Nos. 1 and 2 established for the Application Lands, for the development and operation of the Codell and Niobrara Formations, 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 each of the Subject Wells within WSU Nos. 1 and 2.

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 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 8 day of October, 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@bwenergyllc.com

jfulcher@bwenergyllc.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



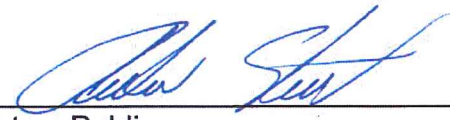
Jason Lowrey

Subscribed and sworn to before me this 8th day of October, 2015, by Jason Lowrey, Senior Landman for Extraction Oil & Gas LLC.

Witness my hand and official seal.

My commission expires: 10/04/2017

ANDREW STOUT
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20134064176
COMMISSION EXPIRES OCT. 04, 2017



Notary Public

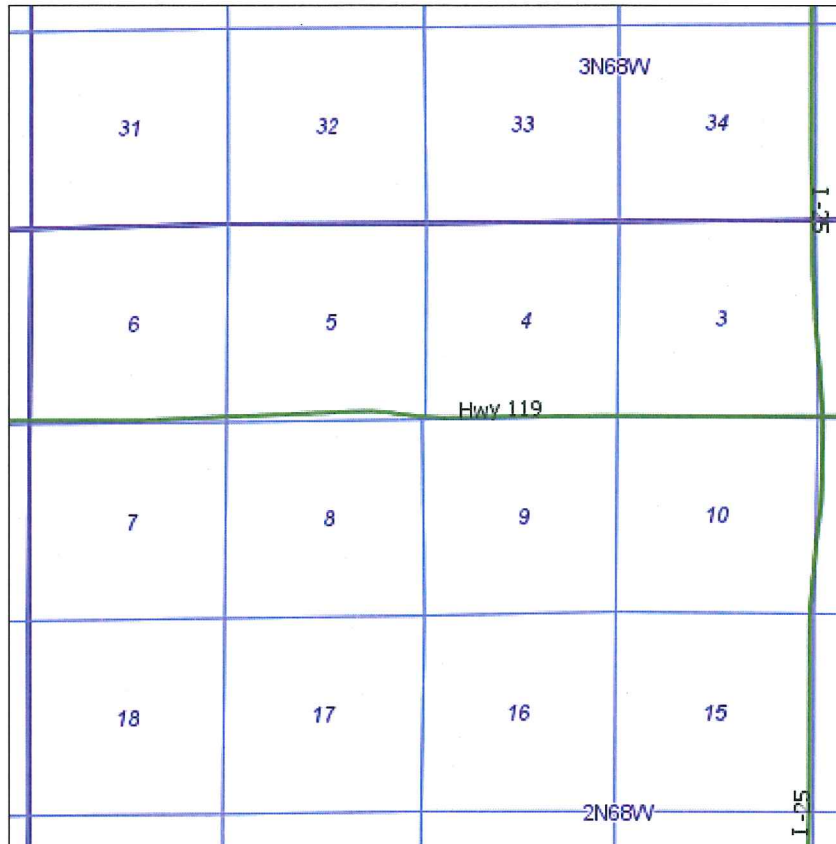
Exhibit A

Reference Map for Pooling Application

Township 2 North, Range 68 West, 6th P.M.

Section 4: N $\frac{1}{2}$ SW $\frac{1}{4}$, S $\frac{1}{2}$ NW $\frac{1}{4}$

Section 5: N $\frac{1}{2}$ S $\frac{1}{2}$, S $\frac{1}{2}$ N $\frac{1}{2}$



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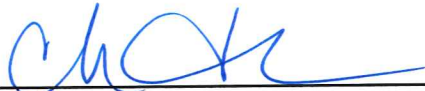
DOCKET NO. 151200754

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:

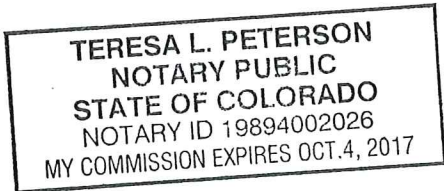
That she is a Legal Assistant at Beatty & Wozniak, P.C., attorneys for Extraction Oil & Gas LLC, and on or before October 15, 2015, caused a copy of the above captioned Application to be deposited in the United States Mail, postage prepaid, addressed to the parties listed on Exhibit A attached hereto.




Chanda Thomsen

Subscribed and sworn to before me this 15th day of October, 2015.

Witness my hand and official seal.





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.

Swan Resources
8100 East Maplewood Ave., Ste 240
Greenwood, CO 80111

XRV LLC
P.O. Box 21270
Oklahoma City, OK 73156

Murray J. Herring
10881 W. Asbury, Suite 230
Lakewood, CO 80227

Nebraska Alliance Resources LLC
1776 South Jackson, Ste #1000
Denver, CO 80210

TOP Operating Company
3609 S. Wadsworth Blvd
Lakewood, CO 80235

Anadarko Petroleum Corporation
1099 18th Street
Denver, CO 80202

Shoreline Energy Holdings II LLC
500 4th Ave SW
Calgary, AB T2P 2V6

Synergy Resources Corporation
1099 18th Street
Denver, CO 80202