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) PARTIALLY VACATE ORDER 407-501 AND) ESTABLISH AN APPROXIMATE 1280-ACRE) DRILLING AND SPACING UNIT AND APPROVE) UP TO TWENTY-EIGHT WELLS FOR SECTIONS) 26 AND 27, TOWNSHIP 6 NORTH, RANGE 61) WEST, 6TH P.M., FOR THE NIOBRARA AND) CODELL FORMATIONS, WATTENBERG FIELD,) WELD COUNTY, COLORADO)

CAUSE NO. 407

DOCKET NO.

TYPE: SPACING

APPLICATION

Pursuant to C.R.S § 34-60-116, Caerus WashCo LLC (operator # 86610) ("Applicant"), respectfully submits this Application to the Oil and Gas Conservation Commission of the State of Colorado (the "Commission") for an order to vacate an existing 640-acre drilling and spacing unit established under Order 407-501 for Section 27, Township 6 North, Range 61 West, 6th P.M., establish an approximate 1280-acre drilling and spacing unit in the following lands:

Township 6 North, Range 61 West, 6th P.M. Section 26: All Section 27: All

Weld County, Colorado (collectively, the "Application Lands"), and approve up to twenty-eight horizontal wells within the new unit for the production of oil, gas and associated hydrocarbons from the Niobrara and Codell Formations.

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. 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.

4. On October 31, 2011, the Commission entered Order No. 407-501 which, among other things, established eleven 640-acre drilling and spacing units for certain lands, including portions of the Application Lands, and approved up to one horizontal well in each unit, with bottomhole locations of any permitted well to be no closer than 460 feet from the boundary of the unit for the production of oil and gas and associated hydrocarbons from the Niobrara Formation. Section 27, Township 6 North, Range 61 West, 6th P.M. is subject to this Order for the Niobrara Formation.

5. Applicant requests that the Commission vacate Order 407-501 as it applies to Section 27, Township 6 North, Range 61 West, 6th P.M. 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.

6. 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. The productive interval of each such wellbore shall be located no closer than 460 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.

7. Applicant requests that the Commission authorize up to four wellpads within the unit or upon adjacent lands.

8. Applicant asserts that vacating Order 407-501 as it applies to the Application Lands and 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.

9. 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 Order 407-501 as it applies to Section 27, Township 6 North, Range 61 West, 6th P.M. 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;

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B. Authorizing up to twenty-eight horizontal wells within the unit, with twentyfour horizontal wells to be drilled to the Niobrara Formation and four horizontal wells to be drilled to the Codell Formation. The productive interval of each wellbore shall be located no closer than 460 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

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

Dated: November 252015

Respectfully submitted,

DAVIS GRAHAM & STUBBS LLP

By: David Nestin

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

)) ss.)

CITY AND COUNTY OF DENVER

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 _____ day of November, 2015.

Witness my hand and official seal.

2010 My commission expires:

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

Q.

	DJ BASIN	DJ Basin	
6N/6 21	1W 22	23	24
28	27	26	25
33	34	35	36

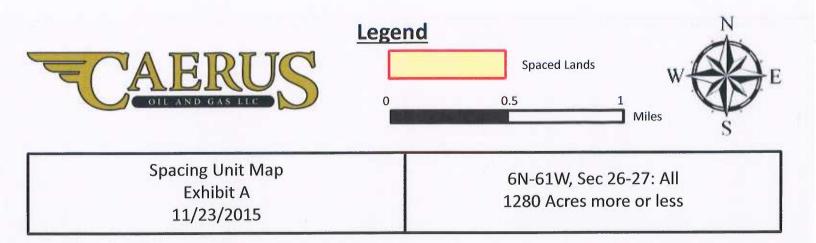


Exhibit B Interested Parties

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

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

Bill Barrett Corporation 1099 18th St. Suite 2300 Denver, CO 80202

Bonanza Creek Energy Operating Company LLC 410 17th Street Suite 1400 Denver, CO 80202

Caribou Resources, LLC 3081S. Spruce Way Denver, CO 80231

David G. Majewski 1823 S. Maxwell Hill Road Littleton, CO 80127

Latitudes Research, LLC 313 Jones Creek Cir. Pine, CO 80470 NB Waechter & Associates, Inc. 6059 South Elati Street Littleton, CO 80120

RJC Energy, Inc 27250 Craig Lane Golden, CO 80401

RJC Ventures, LLC 27250 Craig Lane Golden, CO 80401

Steven Kirkwood and Donna Kirkwood 473 S. Sherman Street Denver, CO 80209

Swanson Production Company 339 Indian Paintbrush Drive Golden, CO 80401

T Bar S Oil, Inc. 102 Mission Bay Drive Polson, MT, 59860

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

Western Operating Company 518 17th Street, Suite 200 Denver, CO 80202

A H McClure and unknown heirs or devisees Address Unknown

A.H. Price and unknown heirs or devisees 20418 County Road 17 Fort Morgan, CO 80704-9225

Acoma Enegy, LLC 3801 E. Florida Ave. Suite 508 Denver, CO 80210 Adelaide E. Comegys 120 Morris Ave Providence, RI 02906-2427

AED Group, LLC 6301 Gaston Ave. Suite 240 Dallas, TX 75214

Aladene Law 2445 Youngfield St. Apt 234 Golden, CO 80401

Amoco Production Company PO Box 187 Fort Lupton, CO 80621

Archer Pearl Energy LLC 134 Cardinal Ave San Antonio, TX 78209

Bank of the Hills, as Successor Trustee U/W of Edward F. Comegys dated July 31, 1970 FBO Edward L. White ka Edward L. White Trust PO Box 9409 Austin, TX78766-9409

Barbara G. Owens 1250 Humboldt #1701 Denver, CO 80218

Barry C. Bedinger 9296 E. Evans Place Denver, CO 80231

Bartels Family LLC 7251 West 20th St D-1 Greeley, CO 80634

Bayard Walker 12377 Merit Drive Suite 777 Dallas, TX 75251

Bison Oil and Gas LLC 999 18th Street Suite 3370 Denver, CO 80237 Carl Herrin Oil and Gas, LLC PO Box 329 Jackson, MS 39205

Claude V. Perrier III 811 Dallas, Suite 1340 Houston, TX 77002

CMA Investments LLC 2928 Tenderfoot Hill St. Colorado Springs, CO 80906

Colorado Kansas Royalty Corp. Address Unknown

Daniel Ray Barnhart 612 Rock Creek Drive Washington, MO 63090

Desoto Royalty Company LLC 3131 McKinney Ave, Suite 430 Dallas, TX 75204

DM Corporation PO Box 1196 Englewood, CO 80150

Donald Edson Furrow 13250 NE 40th Lane Williston, FL 22696

Dreher Family Investments 9605 East Coronado Court Parker, CO 80134

Duane P. Aranci and Marlene J. Aranci, Joint Tenants 5827 County Road 51 Torrington, WY 82240

E B Colwell and unknown heirs or devisees Address Unknown

E L Light and unknown heirs or devisees Address Unknown Edward H. Tergeson 27533 Hwy 392 Gill, CO 80624

Edwin M Jones Oil Company 404 Milam Building San Antonio, TX 78205

Elaine Knox 5327 Park Shore Houston, TX 77084

Elizabeth P. Peterson 384 Stratford Ave. Collegeville, PA 19426

Estate of Leonard H. Bartels 7251 West 20th St D-1 Greeley, CO 80634

Family Tree Corporation PO Box 260498 Lakewood, CO 80226

Florence G. Beck 19 Hitching Post Lane Bell Canyon, CA 91307

Foundation Energy Fund III-A LP 1600 N. Dallas Parkway, Suite 875 Dallas, TX 75248

Foundation Energy Fund III-B Holding, LLC 1600 N. Dallas Parkway, Suite 875 Dallas, TX 75248

Foundation Energy Fund IV-A, LP 1600 N. Dallas Parkway, Suite 875 Dallas, TX 75248

Foundation Energy Fund IV-B Holding, LP 1600 N. Dallas Parkway, Suite 875 Dallas, TX 75248 Fred W. Shield 1442 Milam Building San Antonio, TX 78205

Fred W. Shield and Company 1442 Milam Building San Antonio, TX 78205

G. Charles Gadbois 2152 Quartz Cliff St. #103 Las Vegas, NV 89117

George S. Dennis PO Box 1823 Jackson, MS 39215

Gertrude E. Davis 1014 Venice St. Longmont, CO 80501

Harold Dean Barnhart 7 Monarch Road Buffalo, MO 65622

Harry L. Richey aka Harry L. Rickey and unknown heirs or devisees Address Unknown

High Plains Minerals Inc. 217 Main St. Box 15 Canadian, TX 79014

Horace Price and unknown heirs or devisees 20418 County Road 17 Fort Morgan, CO 80704-9225

HS Resources Inc 1999 Broadway Ste 3600 Denver, CO 80202

Ida Matilda Johnson and unknown heirs or devisees 27 West 10th Ave Denver, CO 80218 Inger Marie Grizzell 2420 W. 107th Dr. Westminster, CO 80234

James E. Perdue 431 Sherman St. Fort Morgan, CO 80701

Jim Austin PO Box 843 Chandler, TX 75758

JoAnna M. Kennedy, Thomas N. Kennedy, Sean J. Kennedy and Dana C. Pfrangle 96 Olympus Circle Littleton, CO 80124

Judith Lynne Smith Mendozac/o R.B. Keating III PO Box 62208 Houston, TX 77205

K. L. Beck and unknown heirs or devisees PO Box 2804 Odessa, TX 79760

Kathleen Joyce Furrow 1265 Race St. #707 Denver, CO 80206

Kathryn B. Stahlman 1540 Bench Trail Shertz, TX 78154

Kim Meek 344 Winemaker Way Windsor, CA 95492

Kimberly McKee Eaton 1035 37th Ave. Court Greeley, CO 80634

Kudzu Mineral Group, LLC 300 Concourse Blvd., Suite 101 Ridgeland, MS 39157 Lawrence Christopher Eaton 1035 37th Ave. Court Greeley, CO 80634

Lewis Family Resources, Ltd. 1925 N. Grand Ave. Gainesville, TX 76240

Louise H. Davis Revocable Trust 3810 S. Terwilliger Blvd. Tulsa, Ok 74105

Lynne F. Kelly 1198 E. 1800 South Bountiful, UT 84010

Mabel Watson and unknown heirs or devisees Address Unknown

Marian Nordine Harwell 4001 N New Braunfels Ave., Apt 150 San Antonio, TX 78209

Maude Price and unknown heirs or devisees 20418 County Road 17 Fort Morgan, CO 80704-9225

MC Oil Well, LLC 108 Martinek Lane Palmer, TX 75152

McMahon Energy Partners LP 4545 S. Monaco St. No. 144 Denver, CO 80237

Milton S. Johnson 7611 South Wolcott Ave. Chicago, IL 60620

Norma Ellen Nutting Reed 5218 S. Theresa Dr. Denison, TX 75020

Osprey Resources, Inc. 921 Main St. Suite 1512 Houston, TX 77002 Patricia Shield Ayres 1442 Milam Building San Antonio, TX 78205

Pegasus Minerals LLC 3500 Oak Lawn Ave. Dallas, TX 75219

Pegasus Minerals, LLC 3500 Oak Lawn Ave. Dallas, TX 75219

R.V. Hodge and unknown heirs or devisees 2109 East 9th Ave Denver, CO 80218

Ralph R. Gerneth 360 FM 371 Gainesville, TX 76240

Red Hawk Petroleum LLC 4125 Blackhawk Plaza Cir. Suite 201A Danville, CA 94506

Rex C. Eaton III 1736 Clermont St. Denver, CO 80220

Richard Barton Furrow 4911 Westridge Dr. Fort Collins, CO 80526

Richard J. Bartels 2131 62nd Ave. Greeley, CO 80634

Richard Stephenson PO Box 471 Glenwood Springs, CO 81602

RJ and CS St Germain Partnership Ltd. PO Box 1889 Wimberley, TX 78676

Robert O Gordon 1021 East 12th Ave Denver, CO 80218 Sabine Corporation 1700 Pacific Ave. Suite 1200 Dallas, TX 75201

Sally June Baker 1709 Paris St. Aurora, CO 80010

Sidney Roger Davis 4501 Spicewood Springs Rd. Suite 1018 Austin, TX 78759

The National Non-Profit Americans with Disabilites, Inc. Trustee of the Guardian Pooled Trust dated June 6, 2002 Shelly Bunnell Accounty 901 Chestnut St. Suite C Clearwater, FL 33756

Tofte Energy Partners, LP PO Box 4221 Casper, WY 82604

Top Brass Oil Properties Inc. PO Box 2767 Long Beach, CA 90801

Virginia Ann Smith Foss c/o R.B. Keating III PO Box 62208 Houston, TX 77205

W. L. Bain and unknown heirs or devisees 1521 13th Ave Greeley, CO 80631-4735

Walker Oil Trust 12377 Merit Drive Suite 777 Dallas, TX 75251

Wilbur and Sylvia L. Mitchell Family Trust Bank One, Colorado, NA PO Box 2605 Fort Worth, TX 76113-2605

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 ORDER 407-501 AND PARTIALLY VACATE 1280-ACRE ESTABLISH AN APPROXIMATE DRILLING AND SPACING UNIT AND APPROVE UP TO TWENTY-EIGHT WELLS FOR SECTIONS 26 AND 27, TOWNSHIP 6 NORTH, RANGE 61 WEST, 6TH P.M., FOR THE NIOBRARA AND CODELL FORMATIONS, WATTENBERG FIELD, WELD COUNTY, COLORADO

Cause No. 407

Docket No.

Type: SPACING

AFFIDAVIT OF MAILING

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

Greg Nibert Jr., of lawful age, and being first duly sworn upon his oath, states and declares:

That he is an attorney for Caerus WashCo, LLC, and that on or before December 2, 2015, he caused a copy of the attached Application to be deposited in the United States Mail, postage prepaid, addressed to the parties listed on <u>Exhibit B</u> to the Application.

Greg Nibert Jr

Subscribed and sworn to before me November 25, 2015.

Witness my hand and official seal.

My commission expires: 1-21-20

Notary Public

