

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

IN THE MATTER OF THE APPLICATION OF PDC ENERGY, INC. FOR AN ORDER TO POOL ALL INTERESTS IN AN APPROXIMATE 160-ACRE DESIGNATED WELLBORE SPACING UNIT IN SECTION 9 AND 10, TOWNSHIP 4 NORTH, RANGE 67 WEST, 6<sup>TH</sup> P.M., FOR THE NIOBRARA-CODELL FORMATIONS, WATTENBERG FIELD, WELD COUNTY, COLORADO

CAUSE NO. 407

DOCKET NO.

TYPE: POOLING

**APPLICATION**

PDC Energy, Inc. (Operator No. 69175) ("PDC" or "Applicant"), submits this application to the Oil and Gas Conservation Commission of the State of Colorado ("Commission") for an order to pool all interests in an approximate 160-acre wellbore spacing unit designated for portions of Sections 9 and 10, Township 4 North, Range 67 West, 6<sup>th</sup> P.M., for development and operation of the Niobrara-Codell Formations.

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 is a registered operator in good standing with the Commission.
2. Applicant owns certain leasehold interests in the below-listed lands:

Township 4 North, Range 67 West, 6<sup>th</sup> P.M.

Section 9: E $\frac{1}{2}$ NE $\frac{1}{4}$ ,

Section 10: W $\frac{1}{2}$ NW $\frac{1}{4}$

Weld County, Colorado.

These lands are collectively referred to as the "Application Lands."

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. On February 19, 1992, the Commission entered Order No. 407-87 (amended August 20, 1993) which, among other things, established 80-acre drilling and spacing units for the production of oil, gas and associated hydrocarbons from the

Niobrara-Codell Formations underlying certain lands, including the Application Lands, with the permitted well locations in accordance with the provisions of Order No. 407-1.

5. Pursuant to Rule 318A, Applicant designated an approximate 160-acre wellbore spacing unit comprising the Application Lands for the Gold 9V-DU well (API No. 05-123-29552) ("Subject Well"), for the production of oil, gas and associated hydrocarbons from the Niobrara-Codell Formations. Applicant notified the appropriate parties under Rule 318A.

6. Acting pursuant to Commission Rule 530 and/or the provisions of § 34-60-116 (6) and (7), C.R.S., Applicant seeks an order pooling all interests, including, but not limited to, any non-consenting interests, in the approximate 160-acre wellbore spacing unit designated for the Application Lands for the development and operation of the Niobrara-Codell Formations.

7. Further, Applicant requests that any non-consenting interests with whom the Applicant has been unable to secure a lease or other agreement to participate in the drilling of the Subject Well be made subject to the statutory cost recovery provisions of § 34-60-116(6) & (7), C.R.S.

8. Applicant requests that the pooling order entered as a result of this Application be made effective as of the date of this Application, or, as applicable, 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, whichever is earlier.

9. Applicant certifies that copies of this Application will be served on all persons owning an interest in the mineral estate of the tracts to be pooled within seven (7) days of the date hereof, as required by Rule 503.e., and that at least thirty-five (35) days prior to the hearing on this matter each such interest owner not already leased or voluntarily pooled will be offered the opportunity to lease, or to participate in the drilling of the Subject Well, and will be provided with the information required by Rule 530 as applicable. The list of such interested parties is attached hereto as Exhibit A.

10. In order to prevent waste and to protect correlative rights, all interests in the Wellbore Spacing Unit should be pooled for the orderly development of the Niobrara-Codell Formations, including any non-consenting interests therein.

WHEREFORE, Applicant requests that this matter be set for hearing at the next available opportunity, that notice be given as required by law, and that upon such hearing the Commission enter its order:

A. Pooling all interests in the approximate 160-acre designated wellbore spacing unit established for the Application Lands for the development and operation of the Niobrara-Codell Formations, with the pooling order made effective as 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, whichever is earlier.

B. Providing that the non-consenting 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.

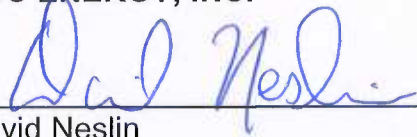
C. For any other findings and orders as the Commission may deem proper or advisable in this matter.

Dated: November 25, 2015.

Respectfully submitted:

**PDC ENERGY, INC.**

By: \_\_\_\_\_

  
David Neslin  
Gregory Nibert, Jr.  
Davis Graham & Stubbs LLP  
1550 Seventeenth Street, Suite 500  
Denver, Colorado 80202  
(303) 892-9400

Applicant's Address:  
PDC Energy, Inc.  
ATTN: Josh Wagner  
1775 Sherman Street, Suite 3000  
Denver, CO 80203

**VERIFICATION**

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

Josh Wagner, of lawful age, being first duly sworn upon oath, deposes and says that he is a Senior Regional Landman for PDC Energy, Inc., 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.



\_\_\_\_\_  
Josh Wagner, Sr. Regional Landman  
PDC Energy, Inc.

Subscribed and sworn to before me this 24<sup>th</sup> day of November, 2015.

Witness my hand and official seal.

[SEAL]

My commission expires: 5/16/2017

**KRISTIE ANN MONEY**  
**NOTARY PUBLIC**  
**STATE OF COLORADO**  
NOTARY ID 20134031387  
My Commission Expires May 16, 2017

  
\_\_\_\_\_  
Notary Public

**Exhibit A**  
**Interested Parties**

PDC Energy, Inc.  
1775 Sherman Street, Suite 3000  
Denver, Colorado 80203

Sanco Services  
Address Unknown

Glen-Eyre Holdings LLC  
14150 Elderberry Road  
Golden, CO 80401

Binder Family Farms LLC  
9783 County Road 46 1/2  
Milliken, CO 80543

Colorado Dept. Transportation  
C/O Receipts & Deposits  
4201 Arkansas Avenue  
Denver, CO 80222

KC Operating Company  
PO Box 950  
Midland, TX 79702

J Hiram Moore Ltd  
Richard L. Moore, Manager  
PO Box 842421  
Dallas, TX 75284

MHM Resources LP  
PO Box 51570  
Midland, TX 79710

Jase Family Ltd  
PO Box 972607  
Dallas, TX 75397

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**CERTIFICATE OF SERVICE**

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:

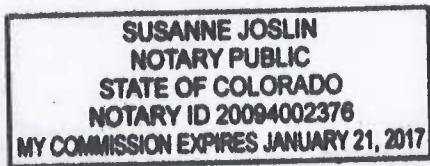
That he is an attorney for PDC Energy, Inc., and that on or before December 2, 2015, he caused a copy of the attached Application to be deposited in the United States Mail, postage prepaid, addressed to the parties listed on Exhibit A to the Application.

  
\_\_\_\_\_  
Greg Nibert Jr.

Subscribed and sworn to before me November 25, 2015.

Witness my hand and official seal.

My commission expires: 1-21-2017



  
\_\_\_\_\_  
Notary Public