

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

IN THE MATTER OF THE APPLICATION OF CRAWLEY PETROLEUM CORPORATION FOR AN ORDER VACATING A PORTION OF ORDER NO. 34-2, ESTABLISHING ONE APPROXIMATE Cause No. 34 640-ACRE DRILLING AND SPACING UNIT AND ONE APPROXIMATE 435-ACRE DRILLING AND Docket No. 160100034 SPACING UNIT, AND ESTABLISHING WELL LOCATION RULES APPLICABLE TO THE Type: SPACING DRILLING AND PRODUCING OF WELLS FROM RED CAVE. TOPEKA. LANSING. CHEROKEE, ATOKA, MORROW, KEYES, ALL OF THE MISSISSIPPIAN AGE FORMATIONS (INCLUDING BUT NOT LIMITED TO THE ST. GENEVIEVE, ST. LOUIS, BEULAH, SPERGEN, HARDSCRABBLE, WARSAW, WILLIAMS CANYON. OSAGE. AND KINDERHOOK FORMATIONS). AND ARBUCKLE **FORMATIONS** COVERING LANDS IN SECTIONS 9 AND 10, TOWNSHIP 34 SOUTH. RANGE 41 WEST, 6TH .P.M., GREENWOOD FIELD, BACA COUNTY, COLORADO.

AMENDED APPLICATION

Crawley Petroleum Corporation (Operator No. 10599) ("Applicant" or "Crawley"), by and through its attorneys, Welborn Sullivan Meck & Tooley, P.C., respectfully submits this Application to the Oil and Gas Conservation Commission of the State of Colorado ("Commission") for an order vacating a portion of Order No. 34-2, establishing an approximate 640-acre drilling and spacing unit and an approximate 435-acre drilling and spacing unit, and establishing well location rules applicable to the drilling of wells and producing of oil, gas and associated hydrocarbons from the Red Cave, Topeka, Lansing, Cherokee, Atoka, Morrow, Keyes, all of the Mississippian Age formations (including but not limited to the St. Genevieve, St. Louis, Beulah, Spergen, Hardscrabble, Warsaw, Williams Can., Osage, and Kinderhook formations), and Arbuckle Formations ("Target Formations") covering certain lands in Baca County, Colorado. In support of its Application, Applicant states as follows:

1. Applicant owns leasehold interests in the following lands ("Application Lands"):

DSU #1

Township 34 South, Range 41 West, 6th P.M. Section 9: All

DSU #2

Township 34 South, Range 41 West, 6th P.M. Section 10: All

Reference maps of the Application Lands are attached hereto.

- 2. Rule 318.a. provides that a well drilled in excess of 2,500 feet in depth shall be located not less than 600 feet from any lease line, and shall be located not less than 1,200 feet from any other producible or drilling oil or gas well when drilling to the same source of supply, unless authorized by order of the Commission upon hearing. The Application Lands are subject to this Rule for all of the Target Formations except the Topeka-Lansing Formation.
- 3. On July 14, 1954, the Commission entered Order No. 34-1, which established 640-acre drilling and spacing units covering certain lands in Baca County, Colorado, with the permitted gas well to be located within 500 feet if the center of each unit; provided, however, that the permitted well be drilled not less than 2,140 feet from the North, South, and West section lines and not less than 1,250 feet from the East section line for the production of gas from the Topeka-Lansing Formation.
- 4. On September 8, 1955, the Commission entered Order No. 34-2, which added Sections 9 and 10, Township 34 South, Range 41 West, 6th P.M. to the lands covered by Order No. 34-1. The Application Lands are subject to this Order for the Topeka-Lansing Formation only.
 - The Target Formations underlie the Application Lands.
- 6. To promote efficient drainage of the Target Formations within the Application Lands and to avoid waste, the Commission should: (1) vacate Order No. 34-2 only as it applies to the Application Lands, (2) establish an approximate 640-acre drilling and spacing unit for DSU #1; (3) establish an approximate 435-acre drilling and spacing unit for DSU #2; (3) allow for a total of up to four vertical wells within DSU #1 and three vertical wells within DSU #2 in order to efficiently and economically recover oil, gas and associated hydrocarbons from the Target Formations.
- 7. Applicant requests that the surface location for each proposed vertical well be located at a legal location in the above-described drilling and spacing unit. Applicant further requests that the treated interval of each wellbore be no closer than 600 feet from the unit boundary and no closer than 600 feet from any other producing wellbore within the drilling and spacing units.
- 8. Applicant requests authority to drill only those wells necessary to determine the well density which allows the most efficient drainage of the Target Formations, prevents waste, does not adversely affect correlative rights, and assures the greatest ultimate recovery of oil, gas

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and associated hydrocarbon substances from the Target Formations. The drilling and spacing units are not smaller than the maximum area that can be economically and efficiently drained by the proposed wells in each such drilling and spacing unit. Applicant further maintains that wells drilled in the drilling and spacing units will have no adverse effect on correlative rights of adjacent owners.

9. The names and addresses of the interested parties according to the information and belief of the Applicant are set forth in Exhibit A attached hereto and made a part hereof, and the undersigned certifies that copies of the original 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, this Commission enter its order consistent with Applicant's proposals as set forth above.

Dated this 11th day of December, 2015

Respectfully submitted,

WELBORN SULLIVAN MECK & TOOLEY, P.C.

Ву:

Joseph C. Pierzchala Chelsey J. Russell

Welborn Sullivan Meck & Tooley, P.C.

Attorneys for Applicant

1125 - 17th Street, Suite 2200

Denver, CO 80202 303-830-2500

Applicant's Address:

105 N. Hudson, Suite 800 Oklahoma City, OK 73102 Attn: Katie Jones, Landman Phone: 405-536-6943

VERIFICATION

STATE OF OKLAHOMA)
COUNTY OF OKlahoung) ss

Katie Jones, Landman with Crawley Petroleum Corporation, upon oath deposes and says that he has read the foregoing **AMENDED** Application and that the statements contained therein are true to the best of his knowledge, information and belief.

CRAWLEY PETROLEUM CORPORATION

Katie Jones, Landman

Subscribed and sworn to before me this 10th day of December, 2015 by Katie Jones, Landman for Crawley Petroleum Corporation.

Witness my hand and official seal.

#07009903 #07009003 EXP. 10/24/19 OF OKLANIA

Notary Public

My Commission Expires:

EXHIBIT A

INTERESTED PARTIES

DSU #1

Township 34 South, Range 41 West, 6th P.M. Section 9

Indian Exploration Company 123 S. Hudson Oklahoma City, OK 73102

Richard D. Wymer 123 S. Hudson Oklahoma City, OK 73102

Kaiser-Francis P.O. Box 21468 Tulsa, Oklahoma 74121-1468

State of Colorado Mike Pollart 700 S. Main St. Lamar, CO 81052

Gayla Thompson Baca County 741 Main Street, Suite 6 Springfield CO 81073

Kent Kuster
Oil & Gas Consultant Coordinator
CDPHE
4300 Cherry Creek Drive South
Denver, CO 80246-1500

Al Trujillo Southeast Region Office Energy Liaison – Colorado Parks and Wildlife 4255 Sinton Rd. Colorado Springs, CO 80907

DSU #2

Township 34 South, Range 41 West 6th P.M. Section 10

Indian Exploration Company 123 S. Hudson Oklahoma City, OK 73102

Richard D. Wymer 123 S. Hudson Oklahoma City, OK 73102

State of Colorado Mike Pollart 700 S. Main St. Lamar, CO 81052

Gayla Thompson Baca County 741 Main Street, Suite 6 Springfield CO 81073

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AFFIDAVIT OF MAILING

STATE OF COLORADO §

CITY AND COUNTY OF DENVER §

I, Joseph C. Pierzchala, of lawful age, and being first duly sworn upon my oath, state and declare:

That I am the attorney for Crawley Petroleum Corporation and that on or before December 2015, I caused a copy of the attached **AMENDED** Application to be deposited in the United States mail, postage prepaid, addressed to the parties on the Exhibit A to the **AMENDED** Application.

Joseph C. Pierzchala

Subscribed and sworn to before me December 17, 2015

Witness my hand and official seal.

JOAN E. HOOVER
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 19944011557
MY COMMISSION EXPIRES AUGUST 17, 2018

Notary Public

My commission expires: