

**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
320-ACRE DESIGNATED HORIZONTAL
WELLBORE SPACING UNIT FOR PORTIONS
OF SECTIONS 29 AND 30, TOWNSHIP 5
NORTH, RANGE 63 WEST, 6TH P.M., FOR THE
NIOBRARA FORMATION, WATTENBERG
FIELD, WELD COUNTY, COLORADO

CAUSE NO. 407
DOCKET NO.
TYPE: POOLING

APPLICATION

COMES NOW PDC Energy, Inc. (Operator No. 69175) ("PDC" or "Applicant"), by its attorneys, Burleson LLP, and makes this application to the Oil and Gas Conservation Commission of the State of Colorado ("Commission") for an order to pool all interests within an approximate 320-acre Wellbore Spacing Unit, as defined below, for the drilling of the R&R Farms 29i-221 Well (API No. 05-123-41759) ("Well"), for the development of the Niobrara Formation on the following described lands:

Township 5 North, Range 63 West, 6th P.M.
Section 29: W $\frac{1}{2}$ W $\frac{1}{2}$
Section 30: E $\frac{1}{2}$ E $\frac{1}{2}$

320 acres, more or less, Weld County, Colorado.
Hereinafter "Application Lands"

In support thereof, 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 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.

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

5. On March 5, 2012, the Commission entered Order No. 407-573, which among other things, approves the request for an order to pool all interests in an approximate 160-acre designated wellbore spacing unit, for the development of the Codell and Niobrara Formations. Order No. 407-573 does not affect this Application.

6. On July 29, 2013, the Commission entered Order No. 407-839, which among other things, approves the request for an order to pool all interests in four (4) approximate 160-acre designated wellbore spacing units, for the development of the Codell-Niobrara Formation. Order No. 407-839 does not affect this Application.

7. On September 14, 2015, the Commission entered Order No. 407-1433, which among other things, approves the request for an order to pool all interests in an approximate 320-acre designated horizontal wellbore spacing unit, for the development of the Codell-Niobrara Formation. Order No. 407-1433 does not affect this Application.

8. On September 14, 2015, the Commission entered Order No. 407-1434, which among other things, approves the request for an order to pool all interests in an approximate 320-acre designated horizontal wellbore spacing unit, for the development of the Niobrara Formation. Order No. 407-1434 does not affect this Application.

9. On September 14, 2015, the Commission entered Order No. 407-1435, which among other things, approves the request for an order to pool all interests in an approximate 160-acre designated horizontal wellbore spacing unit, for the development of the Niobrara Formation. Order No. 407-1435 does not affect this Application.

10. On October 26, 2015, the Commission entered Order No. 407-1468, which among other things, approves the request for an order to pool all interests in an approximate 320-acre designated horizontal wellbore spacing unit, for the development of the Niobrara Formation. Order No. 407-1468 does not affect this Application.

11. Applicant designated the 320-acre Wellbore Spacing Unit for the production of oil, gas, and associated hydrocarbons from the Niobrara Formation pursuant to Rule 318A and notified the appropriate parties under Rule 318A.

12. Applicant, pursuant to Commission Rule 530 and/or the provisions of C.R.S. § 34-60-116 (6) and (7), hereby requests an order to pool all interests, including but not limited to, any non-consenting interests, in the Application Lands in the Niobrara Formation underlying the following approximate 320-acre Wellbore Spacing Unit:

Township 5 North, Range 63 West, 6th P.M.

Section 29: W $\frac{1}{2}$ W $\frac{1}{2}$

Section 30: E $\frac{1}{2}$ E $\frac{1}{2}$

(throughout as "Wellbore Spacing Unit").

13. 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 C.R.S. § 34-60-116(7)(b) are first incurred for the drilling of the Well to the Niobrara Formation on the Application Lands.

14. 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 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.

15. That 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 Formation, 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 Application Lands and the Wellbore Spacing Unit for the development of the Niobrara Formation.

B. Providing that the Commission's pooling order is made effective as of the earlier of the date of this Application, or the date that any of the costs specified in C.R.S. § 34-60-116(7)(b) are first incurred for the drilling of the Well in the Wellbore Spacing Unit to the Niobrara Formation on the Application Lands.

C. 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 Well are pooled by operation of statute, pursuant to C.R.S. § 34-60-116(6) and (7), and made subject to the cost recovery provisions thereof with respect to the Well drilled to develop the Niobrara Formation in the Wellbore Spacing Unit comprising the Application Lands.

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

WHEREFORE, Applicant respectfully requests that this matter be set for hearing in January 2016, that notice be given as required by law, and that upon such hearing, the Commission enter its order consistent with Applicant's request as set forth above.

Dated: November 25, 2015.

Respectfully submitted:

PDC ENERGY, INC.

By: 

Jamie L. Jost
Zachary P. Sears
Burleson LLP
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AFFIDAVIT OF MAILING

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

I, Zachary P. Sears of lawful age, and being first duly sworn upon my oath, state and declare that I am the attorney for PDC Energy, Inc., and that on or before the 1st day of December 2015, I 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.



Zachary P. Sears

Subscribed and sworn to before me this 25th day of November 2015.

Witness my hand and official seal.

[SEAL]

RACHEL FLEMING
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20144025048
MY COMMISSION EXPIRES JUNE 24, 2018

My commission expires: June 24, 2018



Notary Public

Exhibit A
FP – R&R Farms 29i-221

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

Betty Hatfield
P.O. Box 31
Kersey, CO 80644

Double Eagle Energy Rockies, LLC
1401 Ballinger Street, Suite 203
Fort Worth, TX 76102

Janice Hubbard
3920 S. Placitade De La Moneda
Green Valley, AZ 85622

Grizzly Petroleum Company, LLC
1801 Broadway, Suite 500
Denver, CO 80202

Twyla Louise Jorgensen
911 S. Hickory Street
Sapulpa, OK 74066

Encana Oil & Gas, (USA) Inc.
370 17th St., Suite 1700
Denver, CO 80202

Henry, a/k/a Henry M. Karre
P.O. Box 42
Nunn, CO 80648

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

Holly Ann King
339 50th Avenue Place
Greeley, CO 80634

Polus, Inc.
290 Wilmont Road
New Rochelle, NY 10804

Eleanor Jo Anne McCargar
20427 MCR 3
Wiggins, CO 80654

Anadarko E&P Onshore LLC
1099 18th Street, Suite 1800
Denver, CO 80202

Judy A. Ord
1955 Highway 136
Guide Rock, NE 68942

Nancy Colleen Baird
P.O. Box 1634
Weldon, CA 93283

Herman and Dorothy Peterson, JT
30584 WCR 380
Kersey, CO 80644

Baybayan, LLC
2620 S. Maryland Pkwy, #170
Las Vegas, NV 89109

LeRoy D. and Patty A. Peterson, JT
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Orchard, CO 80649

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200 N. 35th Ave, Lot 110
Greeley, CO 80634

Rita Faye Peterson
211 Main Street,
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Kilgore, NE 69216

Joyce Cloer
4605 Centre Ct.
Rogers, AK 72758

Bill Peterson
1604 N. Oak Street
Burnett, TX 78611

Larry Peterson
15251 Weld County Road 86
Pierce, CO 80650

Richard Peterson
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Arthur, NE 69121

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Troy S. Peterson
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Preston Henry Lee Karre Trust,
Cache Bank and Trust, Trustee
4601 West 20th Street
Greeley, CO 80634

R&R Farms, LLC
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Kersey, CO 80644

Lynn D. Redman
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Billings, MT 59102

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North Hills, CA 91343

Magnus Eugene Tappan
1137 E. Racine Drive
Casa Grande, AZ 85122

Twyla Anna Marie Karre Trust,
Cache Bank and Trust, Trustee
4601 West 20th Street
Greeley, CO 80634

Preston Henry Lee Karre Trust
4012 Maverick Lane
Evans, CO 80620

Terry D. Redman
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Denver, CO 80293