

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

IN THE MATTER OF THE APPLICATION OF )	
GRIZZLY OPERATING LLC FOR AN ORDER TO )	CAUSE NO. 407
POOL ALL INTERESTS IN AN APPROXIMATE )	
160-ACRE DESIGNATED WELLBORE DRILLING )	DOCKET NO. 160100 _____
AND SPACING UNIT IN SECTIONS 18 AND 19, )	
TOWNSHIP 6 NORTH, RANGE 65 WEST, 6 <sup>TH</sup> )	TYPE: POOLING
P.M., FOR THE CODELL AND NIOBRARA )	
FORMATIONS, WATTENBERG FIELD, WELD )	
COUNTY, COLORADO	

**VERIFIED APPLICATION**

COMES NOW, Grizzly Operating LLC, Operator No. 10590 ("Grizzly" or "Applicant"), by its attorneys, Lohf Shaiman Jacobs Hyman & Feiger PC, and submits its Application to the Oil and Gas Conservation Commission of the State of Colorado, for an order pooling all interests in an approximate 160-acre designated wellbore drilling and spacing unit for production of oil, gas and associated hydrocarbons from the Codell and Niobrara Formations in certain lands in the Wattenberg Field, Weld County, Colorado, and in support states as follows:

1. Applicant is duly organized and authorized to conduct business in the State of Colorado and has registered as an operator with the Commission.

2. Applicant owns leasehold interests in the following described lands in Weld County, Colorado, containing approximately 160-acres (hereinafter, the "Application Lands" or the "Unit"):

Township 6 North, Range 65 West, 6<sup>th</sup> P.M.  
Section 18: S/2SE/4  
Section 19: N/2NE/4

3. On April 27, 1998, the Commission adopted Rule 318A, the Greater Wattenberg Area Special Well Location, Spacing and Unit Designation Rule, which among other things, allowed certain drilling locations to be utilized to drill, twin, deepen 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 authorize the drilling of boundary wells on wellbore spacing units designated by the operator pursuant to Commission Rule 318A(a)(4)(C). That Rule requires that the designated spacing unit be composed of the four governmental quarter-quarter sections nearest to the bottom-hole location of the wellbore.

4. Pursuant to Commission Rule 318A(a)(4)(C), Grizzly has designated the Application Lands as a wellbore spacing unit for the Goza #2-Ae well (API #05-123-38401) (the "Well"), composed of the four governmental quarter-quarter sections nearest to the bottom-hole location of the Well, and is currently ensuring that all necessary information has been provided in connection with that designation.

5. Pursuant to Commission Rule 318A(e), Grizzly has drilled the Well as a boundary well, from a multiple well pad in the NE<sup>1</sup>/<sub>4</sub>SE<sup>1</sup>/<sub>4</sub> of the above-referenced Section 18, to a bottom-

hole location which is 1,326 feet FEL and 0 feet FSL of said Section 18. The Well has been drilled to the Codell and Niobrara formations, but has not yet been completed or produced.

6. Applicant has been unable to obtain consent to voluntary pooling by all interest owners in the Unit. As a result, Applicant requests that all interests in the Unit, including but not limited to the nonconsenting interests, be involuntarily pooled pursuant to C.R.S. §34-60-116.

7. As to the Well, the Applicant requests that the consenting parties be allowed to recover from any non-consenting owner's share of production the penalty costs provided in C.R.S. §34-60-116 (7) of the Colorado Oil and Gas Conservation Act, effective as of the date of this Application or the date which costs specified by C.R.S. §34-60-116(7)(b) were first incurred by Applicant for the drilling of the Well, whichever is first in time.

8. The names and addresses of those persons who own any interest in the mineral estate in the Application Lands, exclusive of overriding royalty interests, according to the information and belief of the Applicant are set forth on **Exhibit A**. Copies of this Verified Application shall be served on all such owners within seven (7) days of the date of this Application, as required by Commission Rule 503.e.

9. At least thirty (30) days prior to the hearing on this Application, the Applicant will have sent all owners listed on **Exhibit A**, who have not previously consented to lease or otherwise participate in the drilling and completion of the Well, an Authority for Expenditures (AFE) and/or supporting documents which contain all information required by Commission Rule 530.b., and in case of unleased mineral owners, an offer to lease which is reasonable, based on the factors listed in Commission Rule 530.c.

10. To date, one or more of such owners has failed or refused to respond to such offer to lease and/or to participate in the drilling, completion and operation of the Well, and Grizzly anticipates that one or more of such owners will continue to fail or refuse to so respond, and shall be deemed non-consenting parties under Commission Rule 530.b and c.

11. Grizzly therefore anticipates that an order of the Commission pooling all interests in the Unit for production from the Codell and Niobrara Formations shall be necessary in order to afford each owner of an interest in the Unit the opportunity to recover and receive its just and equitable share of the oil and/or gas from the Unit.

12. The granting of the requested order would not be prejudicial to the owners in the Unit and would protect correlative rights.

13. The requested order should be effective upon oral order of the Commission, by which Grizzly agrees to be bound.

### **REQUEST FOR HEARING AND ORDER**

WHEREFORE, Grizzly Operating LLC prays that this matter be set for hearing on January 25 or 26, 2016, notice of said Hearing be given as required by law, if no protest is timely received the matter be considered pursuant to Rule 511.b, and the Commission enter an Order pooling all interests in the Unit with respect to production of the Codell and Niobrara formations, and that such pooling Order:

(1) be upon terms and conditions which are just and reasonable and afford to the owner of each interest the opportunity to recover or receive, without unnecessary expense, his just and equitable share of oil and gas;

(2) provide that production obtained from the pooled Unit be allocated to each owner therein on the basis of the proportion that the number of mineral acres held by each owner in the Unit bears to the total number of mineral acres within the Unit;

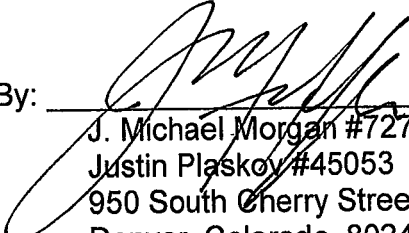
(3) provide that with respect to the Goza #2-Ae well (API #05-123-38401), the consenting parties be allowed to recover from any non-consenting owner's share of production the penalty costs provided in C.R.S. § 34-60-116 (7)(b); effective as of the date of this Application or the date which costs specified by C.R.S. §34-60-116(7)(b) were first incurred by Applicant for the drilling of the Well, whichever is first in time; and

(4) For such other and further findings and orders as the Commission may deem appropriate consistent with the foregoing requests.

RESPECTFULLY SUBMITTED this 24 day of November, 2015.

LOHF SHAIMAN JACOBS HYMAN & FEIGER PC

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

  
J. Michael Morgan #7279  
Justin Plaskov #45053  
950 South Cherry Street, Suite 900  
Denver, Colorado 80246  
(303) 753-9000  
(303) 75-9997 (fax)  
[mmorgan@lohshaiman.com](mailto:mmorgan@lohshaiman.com)

Address of Applicant:

Grizzly Operating LLC  
1944 26<sup>th</sup> Avenue Court  
Greeley, CO 80634

VERIFICATION

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

The undersigned, of lawful age, having been first sworn upon his oath, deposes and states that:

1. He is Manager of the Applicant, Grizzly Operating LLC and maintains his office at 1944 26<sup>th</sup> Avenue Court, Greeley, Colorado 80634.

2. He has read the within Verified Application, is familiar with the facts set forth therein, and states that said facts are true and correct to the best of his knowledge, information and belief.

Further Affiant sayeth not.

  
\_\_\_\_\_  
Jay Goza, Manager  
Grizzly Operating, LLC

Subscribed and sworn to before me this 23<sup>rd</sup> day of November, 2015.

Witness my hand and official seal.  
My commission expires: 6/10/19

**LYNETTE N. PUGA**  
**NOTARY PUBLIC**  
**STATE OF COLORADO**  
**NOTARY ID 20034019182**  
**MY COMMISSION EXPIRES JUN 10, 2019**

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

**EXHIBIT "A"**

**TO POOLING APPLICATION OF GRIZZLY OPERATING LLC**

**Applicant:** Grizzly Operating LLC  
1944 26<sup>th</sup> Avenue Court  
Greeley, Colorado 80634

**Applicant's Attorney:** J. Michael Morgan, Esq.  
Lohf Shaiman Jacobs Hyman & Feiger PC  
950 South Cherry Street, Suite 900  
Denver, CO 80246

**Local Government Designee:** Jennifer Rutter  
Weld County Community & Economic Development  
4300 South Weld County Parkway  
Brighton CO 80601-8218

**SECTION 18 MINERAL OWNERS**

April M. Peck  
1628 Cedar Rock Church Road  
Easley, SC 29640-9207

Darrell W. Anderson  
856 S. Quivas Street  
Denver, CO 80223

Gabino Antuna  
DECEASED – NO CURRENT ADDRESS

Nicholas Antuna  
P. O. Box 1212  
Avon, CO 81620

Claudia Arellano  
P. O. Box 64  
Lucerne, CO 80646

Rick P. Arnold  
P. O. Box 38  
Lucerne, CO 80646

Booth Land & Livestock Company  
P. O. Box 72  
Lucerne, CO 80646

Reuben Bopp

360 Birch Avenue  
Eaton, CO 80634

Cache La Poudre Reservoir and  
New Cache La Poudre Irrigation  
P. O. Box 104  
Lucerne, CO 80646

Joe & Beatrice Cordova  
P. O. Box 31  
Lucerne, CO 80646

Maria & Marciano Pacheco Cordova  
18933 Elm Street  
Lucerne, CO 80646

Paulino & Alicia Cruz  
18932 Elm Street  
Lucerne, CO 80646

John P. Donley  
DECEASED – NO CURRENT ADDRESS

Fred & Derlyn Florez  
33040 Lincoln Avenue  
Lucerne, CO 80646

Eugene & Shirley Fokken  
16428 Longs Peaks Road  
Greeley, CO 80631

Ramon Garcia-Velazquez  
18980 Elm Street  
Lucerne, CO 80646

Crystal Gerstenberger  
P. O. Box 71  
Lucerne, CO 80646

Angel Gonzalez  
P. O. Box 8  
Lucerne, CO 80646

Kimberly Lynn Grauel  
2006 Ash Avenue, #7  
Rapid City, SD 57703

Grand Finale Cowboy Ministries  
P. O. Box 15  
Lucerne, CO 80646

Rena Lori Howe  
P. O. Box 136  
Lucerne, CO 80646

John S. Hoyt  
P. O. Box 162  
Lucerne, CO 80646

R. Booth and Son, Inc.  
P. O. Box 82  
Lucerne, CO 80646

Harriet J. Leafgren  
P. O. Box 6  
Lucerne, CO 80646

LBRC Leafgren, LLC  
875 Walker Street  
Woodland, CA 95776

Brian K Leafgren  
P. O. Box 5  
Lucerne, CO 80646

Nicholas, Gabriel & Bessie Lezama

P. O. Box 84  
Lucerne, CO 80646

Lucerne, Inc.  
P. O. Box 14  
Lucerne, CO 80646

Lucerne Potato Growers, Inc.  
P. O. Box 14  
Lucerne, CO 80646

Lucerne Water Company  
DEFUNCT COMPANY  
NO CURRENT ADDRESS

Margarita Nava  
P. O. Box 108  
Lucerne, CO 80646

Jose Angel & Rose Mary Padilla  
P. O. Box 26  
Lucerne, CO 80646

Alice Payne  
P. O. Box 21  
Lucerne, CO 80646

Perigee Land Acquisitions, LLC  
11522 WCR 76  
Windsor, CO 80550

Bernardo & Mercedes Quinones  
P. O. Box 129  
Lucerne, CO 80646

Brenda K. Trautner  
4981 W. 8th Street  
Julesberg, CO 80737

Pamela Uehran  
18981 Elm Street  
Lucerne, CO 80646

United States of America  
3028 E. Main Street  
Canon City, CO 81212

Wikum Enterprises, LLC  
6194 Waterfront Drive  
Fort Collins, CO 80524

Brad Leafgren  
970 Hawkridge Court

## SECTION 19 - MINERAL OWNERS

Harold E. & Beverly Browitt  
418 W. 8th Street  
Julesberg, CO 80737

Mattie I. Stanley  
1205 47<sup>th</sup> Avenue  
Greeley, CO 80634

Michael B. & Paul D. Hungenberg  
32500 County Road 41  
Greeley, CO 80631

Marjorie A. Clare  
4931 Dexter  
Casper, WY 82609

Berg Farms, LLC  
P. O. Box 148  
Lucerne, CO 80646

J & M Partnership  
P. O. Box 1085  
Ault, CO 80610

M & P Hungenberg Investments, LLC  
976 Balsam Avenue  
Greeley, CO 80631

Stephen Kelly  
420 Seventh Street  
Antioch, CA 94509

Juan Nelson & Jo-Anne Kelly  
1730 NE Second Avenue  
Fort Lauderdale, FL 33305

Helen Kelly Steward  
317 Alder Lane  
Port Angeles, WA 98362

Eaton, CO 80615

Warren G. Milne  
33998 County Road 37  
Eaton, CO 80615

Kathleen Lasnetske  
3511 Forest Drive NE  
Bremerton, WA 98310

Richard E. Kelly  
25044 Highway 392  
Greeley, CO 80631

Helen Gladys Carroll  
2345 Sixteenth Street  
Greeley, CO 80631

Margaret Walther  
10650 E. Tennessee Ave., #108B West  
Aurora, CO 80012

Donald K. MacDougall  
871 Clara Court  
Lake Oswego, OR 97034

Betty M. Newbold  
9 Arapahoe Drive  
Pensacola, FL 32507

Ruth M. Spillers  
2130 S Vaughn Way, #202  
Aurora, CO 80014

Mona Bucher  
13902 E. Marina Drive, #209  
Aurora, CO 80014

Colin MacDougall  
2201 West Avenue, #K-13  
Lancaster, CA 93534

David C. Bates  
DECEASED-NO CURRENT ADDRSS

Judy K. Sutt  
955 Diane Court  
Lander, WY 82520

Janet K. Collins  
7170 Riverview Road  
Riverton, WY 82501

Kenneth Lee Kelly  
710 Turner Street  
Brush, CO 80723

United States of America  
3028 E. Main Street  
Canon City, CO 81212

### **Section 19 - Working Interest Owners**

Cutthroat, Inc.  
5652 Cascade Place  
Boulder, CO 80303

Jay Goza Investments  
1944 26th Avenue Court  
Greeley, CO 80634

Brad Leafgren  
970 Hawkrigde Court  
Eaton, CO 80615

Lyons & Mehler Properties, LLC  
275 S. Kearney Street  
Denver, CO 802224

Jeff Reale  
1200 Martin Court  
Loveland, CO 80537

Bruce Payne  
11674 Montgomery Circle  
Longmont, CO 80504

Jason Rothe  
596 N. 66th Avenue  
Greeley, CO 80634

Jeff Schneider  
P. O. Box 889  
Fort Morgan, CO 80701

Wilson Family Trust  
1187 Coast Village Rd., #1-496  
Santa Barbara, CA 93108

Colton, LLC  
475 17th Street, Ste. 1200  
Denver, CO 80293

SBH Financial Corp.  
3000 Sand Hill Rd., Bldg. 4, Ste. 170  
Menlo Park, CA 94025

Prima Exploration, Inc.  
100 Fillmore Street, Ste. 450  
Denver, CO 80206

Oxford Exploration Corp.  
P. O. Box 370390  
Denver, CO 80237

H & I Investment  
6900 E. Camelback Road  
Scottsdale, AZ 85251

J. Cleo Thompson and  
James Cleo Thompson Jr.  
325 N. Saint Paul St., Ste. 4300  
Dallas, TX 80527

Noble Energy, Inc.  
1625 Broadway  
Denver, CO 80202

North Star Energy Company, LLC  
1800 Glenarm Place, Ste. 1203  
Denver, CO 80202

Bayswater Exploration & Production LLC  
730 17th Street, Ste. 610  
Denver, CO 80202



Bayswater Blenheim Holdings, LLC  
730 17th Street, Ste. 610  
Denver, CO 80202

Bayswater Blenheim Holdings II, LLC  
730 17th Street, Ste. 610  
Denver, CO 80202

Alpha Energy, LLC  
245 E. 54th Street, Ste. 5M  
New York, NY 10022

Aluma Energy, LLC  
245 E. 54th Street, Ste. 5M  
New York, NY 10022

WYOTEX Oil Company  
P. O. Box 280969  
Lakewood, CO 80228

Green Oil Energy, LLC  
P. O. Box 100728  
Denver, CO 80250

Invico Diversified Income Fund  
300, 116 8th Avenue SW  
Calgary, AB T2P 1B3  
**CANADA**

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THE STATE OF COLORADO**

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GRIZZLY OPERATING LLC FOR AN ORDER TO	)	CAUSE NO. 407
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P.M., FOR THE CODELL AND NIOBRARA	)	
FORMATIONS, WATTENBERG FIELD, WELD	)	
COUNTY, COLORADO	)	

**AFFIDAVIT OF MAILING**

STATE OF COLORADO                      )  
  )  
  ) **ss.**  
CITY & COUNTY OF DENVER          )

J. Michael Morgan, of lawful age and being first duly sworn upon his oath, states and declares:

That he is the attorney for Grizzly Operating LLC in the above-captioned matter. On November 25, 2015, he caused a copy of the Verified Application to be deposited in the United States Mail, postage prepaid, addressed to the parties listed on **Exhibit A** to said Application.

*J. Michael Morgan*  
\_\_\_\_\_  
J. Michael Morgan

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

Witness my hand and official seal.  
My commission expires: 3/5/2019

**SHARON FOWLE**  
**NOTARY PUBLIC**  
**STATE OF COLORADO**  
**NOTARY ID 19954003253**  
**MY COMMISSION EXPIRES MARCH 5, 2019**

*Sharon Fowle*  
\_\_\_\_\_  
Notary Public