

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

IN THE MATTER OF THE APPLICATION OF BAYSWATER EXPLORATION & PRODUCTION, LLC FOR AN ORDER (1) VACATING A PORTION OF ORDER NO. 407-1656, (2) VACATING ORDER NO. 407-1657, AND (3) POOLING ALL INTERESTS IN ONE 320-ACRE WELLBORE SPACING UNIT LOCATED IN SECTIONS 28 AND 33, TOWNSHIP 7 NORTH, RANGE 64 WEST, 6TH P.M., FOR THE CODELL FORMATION AND ONE 640-ACRE WELLBORE SPACING UNIT LOCATED IN SECTIONS 27, 28, 33, AND 34, TOWNSHIP 7 NORTH, RANGE 64 WEST, 6TH P.M., FOR THE NIOBRARA FORMATION, WATTENBERG FIELD, WELD COUNTY, COLORADO.

Cause No. 407
Docket No. 160700283
Type: POOLING

APPLICATION

Bayswater Exploration & Production, LLC ("Bayswater" or "Applicant"), Operator No. 10261, 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" or "COGCC") for an order (1) vacating a portion of Order No. 407-1656, (2) vacating Order No. 407-1657, and (3) pooling all interests in one approximate 320-acre wellbore spacing unit for the E1/2E1/2 of Section 28 and the E1/2E1/2 of Section 33, Township 7 North, Range 64 West, 6th P.M., and in one approximate 640-acre wellbore spacing unit for the W1/2W1/2 of Section 27, the E1/2E1/2 of Section 28, the E1/2E1/2 of Section 33, and the W1/2W1/2 of Section 34, Township 7 North, Range 64 West, 6th P.M., Weld County, Colorado for the development and production from the Codell Formation ("WSU #1") and Niobrara Formation ("WSU #2"). In support thereof, the Applicant states as follows:

1. Applicant is a limited liability company duly authorized to conduct business in the State of Colorado.

2. Applicant owns a leasehold interest in the wellbore spacing units comprised of the following lands ("Application Lands"):

WSU #1

Township 7 North, Range 64 West, 6th P.M.
Section 28: E1/2E1/2
Section 33: E1/2E1/2

WSU #2

Township 7 North, Range 64 West, 6th P.M.

Section 27: W $\frac{1}{2}$ W $\frac{1}{2}$

Section 28: E $\frac{1}{2}$ E $\frac{1}{2}$

Section 33: E $\frac{1}{2}$ E $\frac{1}{2}$

Section 34: W $\frac{1}{2}$ W $\frac{1}{2}$

Weld County, Colorado.

A reference map of the Application Lands is attached hereto.

3. Rule 318A.a.(4)D. provides, in relevant part, that where a drilling and spacing unit does not exist for a horizontal well, the horizontal wellbore spacing unit shall be comprised of the governmental quarter-quarter sections in which the wellbore lateral penetrates the productive formation as well as any governmental quarter-quarter sections that are located less than four hundred sixty (460) feet from the portion of the wellbore lateral that penetrates the productive zone regardless of section or quarter section lines. Rule 318A.a.(4)D. further provides that a horizontal wellbore spacing unit may overlap portions of another horizontal wellbore spacing unit or other wellbore spacing unit designated in accordance with subsection a.(4)C.

4. On March 7, 2016, the Commission entered Order No. 407-1656, which, *inter alia*, pooled all interests in one approximate 320-acre wellbore spacing unit for the E $\frac{1}{2}$ E $\frac{1}{2}$ of Section 28 and the E $\frac{1}{2}$ E $\frac{1}{2}$ of Section 33, Township 7 North, Range 64 West, 6th P.M., for the Niobrara Formation and subjected all nonconsenting interests to the cost recovery provisions of Section 34-60-116(7), C.R.S., for the Mojack N-28HN well (API# 05-123-39842).

5. On March 7, 2016, the Commission entered Order No. 407-1657, which pooled all interests in one approximate 640-acre wellbore spacing unit for the W $\frac{1}{2}$ W $\frac{1}{2}$ of Section 27, the E $\frac{1}{2}$ E $\frac{1}{2}$ of Section 28, the E $\frac{1}{2}$ E $\frac{1}{2}$ of Section 33, and the W $\frac{1}{2}$ W $\frac{1}{2}$ of Section 34, Township 7 North, Range 64 West, 6th P.M., for the Codell Formation and subjected all nonconsenting interests to the cost recovery provisions of Section 34-60-116(7), C.R.S., for the Mojack P-28HC well (API# 05-123-39829).

6. On March 18, 2016, the Commission approved a Form 4 Sundry Notice (Doc. No. 401005079) changing the name of the Mojack N-28HN well to the Mojack N-28HC well and changed the well's objective formation from the Niobrara Formation to the Codell Formation. As a result, Order No. 407-1656 became ineffective as it pertains to the Mojack N-28HN well *n/k/a* the Mojack N-28HC well.

7. On March 18, 2016, the Commission approved a Form 4 Sundry Notice (Doc. No. 401005037) changing the name of the Mojack P-28HC well to the Mojack P-28HN well and changed the well's objective formation from the Codell Formation to the Niobrara Formation. As a result, Order No. 407-1657 became ineffective.

8. WSU #1 includes the Mojack N-28HC well (API# 05-123-39842), spud on or about March 16, 2016. The above-described horizontal well is designed to test and produce oil, gas and associated hydrocarbons from the Codell Formation underlying the Application Lands.

9. WSU #2 includes the Mojack P-28HN well (API# 05-123-39829), spud on or about March 16, 2016. The above-described horizontal well is designed to test and produce gas and associated hydrocarbons from the Niobrara Formation underlying the Application Lands.

10. Pursuant to the relevant provisions of Section 34-60-116(6) & (7), C.R.S., and COGCC Rule 530, Applicant seeks an order pooling all interests in the Application Lands for the development and operation of the Codell Formation for WSU #1 and the Niobrara Formation for WSU #2.

11. Applicant certifies that, at least 35 days prior to the date of the scheduled protest deadline for this Application, each owner which Applicant was able to locate, not already leased or voluntarily pooled, will be provided with the well proposal and information required by Rule 530 and tendered a reasonable offer to lease (if an unleased mineral owner), or participate and bear costs associated with the drilling and completion of the Mojack N-28HC well (WSU #1) and Mojack P-28HN well (WSU #2).

12. Applicant requests that a pooling order be entered as a result of this Application and that it be made effective as of the earlier of the date of this Application, or the date costs specified in Section 34-60-116(7)(b)(II), C.R.S., are first incurred for the drilling of the Mojack N-28HC well (WSU #1) and Mojack P-28HN well (WSU #2).

13. The granting of this Application would be in accord with the Oil and Gas Conservation Act, found at Section 34-60-101, *et seq.*, C.R.S., and Commission rules.

14. The names and addresses of the interested parties (persons who own an interest in the mineral estate of the tracts to be pooled, except owners of overriding royalty interest) are attached hereto and marked Exhibit A. Applicant certifies that copies of this Application will be served on all locatable interested parties within seven (7) days of the date hereof, as required by Commission Rule 507.b(2), and that at least thirty-five (35) days prior to the date of the scheduled protest deadline for this Application, each such owner not already leased or voluntarily pooled will be offered the opportunity to lease, or to participate in the drilling of the respective wells, and will be provided with the information required by Rule 530.

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:

A. Vacating Order No. 407-1656 only as it pertains to the Mojack N-28HN well *n/k/a* the Mojack N-28HC well;

B. Vacating Order No. 407-1657;

C. Pooling all interests in the Application Lands for the development and operation of the Codell Formation in WSU #1 and the Niobrara Formation in WSU #2;

D. Providing that the pooling order is made effective as of the date of this Application, or the date that the costs specified in Section 34-60-116(7)(b)(II), C.R.S., are first incurred for the drilling of the Mojack N-28HC well (WSU #1) and Mojack P-28HN well (WSU #2) on the Application Lands, whichever is earlier;

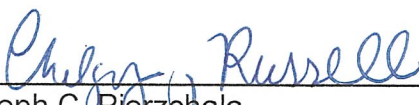
E. Providing that the interests of any owners, with whom the Applicant has been unable to secure a lease or other agreement to participate in the drilling of the authorized well, are pooled by operation of statute, pursuant to Section 34-60-116(7), C.R.S., and made subject to the cost recovery provisions thereof; and

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

Dated this 19th day of May, 2016

Respectfully submitted,

WELBORN SULLIVAN MECK & TOOLEY, P.C.

By: 

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
jpierzchala@wsmtlaw.com
crussell@wsmtlaw.com

Applicant's Address:

730 Seventeenth Street, Suite 610
Denver, CO 80202
Attn: Blake Leavitt, DJ Basin Landman
Phone: 303-893-2503

VERIFICATION

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

Blake Leavitt, DJ Basin Landman with Bayswater Exploration & Production, LLC, upon oath deposes and says that he has read the foregoing Application and that the statements contained therein are true to the best of his knowledge, information and belief.

BAYSWATER EXPLORATION &
PRODUCTION, LLC



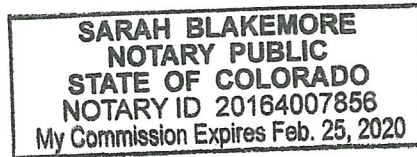
Blake Leavitt, DJ Basin Landman

Subscribed and sworn to before me this 13th day of May, 2016 by Blake Leavitt, DJ Basin Landman for Bayswater Exploration & Production, LLC.

Witness my hand and official seal.



Notary Public
My Commission Expires: 02/25/2020



**EXHIBIT A
INTERESTED PARTIES
DOCKET 160700283**

Mojack N-28HC Well

1	UNLEASED OIL AND GAS INTERESTS
	Bob McDonald
	Rick McDonald
	Nola Kari
2	NON-CONSENTING WI OWNERS
	Welco Operating, LLC
	WYOTEX Oil Company
	Noble Energy, Inc.
3	CONSENTING WI OWNERS
	Alpha Energy Group, LLC
	Aluma Energy, LLC
	Bayswater Exploration & Production, LLC
	Bayswater Blenheim Holdings LLC
	Bayswater Blenheim Holdings II, LLC
	Green Oil Energy, LLC
	OMB Royalties II, LLC
	Shoreline Energy Holdings II, Inc.
4	ROYALTY OWNERS
	Anadarko E&P Onshore LLC
	Bert L. Dewey
	Bessie M. Dewey
	Beverly A. Schell and Donald J. Schell, joint tenants
	Cary A. Kincade
	Charles Dewey Warren
	Darene (Maloit) Wisecup
	David E. Dewey
	Donna MacKenzie Williams
	Fred James Warren
	Gail A. Pippin
	Helen L. Cook
	James Dean Carney
	James Foster
	Jennifer Foster
	JLW Investment, LLC
	John Foster
	LaVerle Londen
	Leland L. McDonald

Linda L. Dobbins
Linda A. Mitchell
Linda Pfannenstiel
Lois E. Steiner
Lori McDonald Petersen
Martha Brown Crouch
Mary Gayle McDonald
Michael E. Potter
Mojack Interests, LLLP
Nancy Kern
NG Resources, LLC
Old West Tours
Paula J. Mitchell
Randy McDonald
Raymond G. Dewey, Jr.
Richard Hime
Robbie Mae Warren
Ted McDonald
Terry J. McDonald
Tim McDonald
Vicky Mangan
Wallace Roy MacKenzie
Weld County, Colorado

Mojack P-28HN

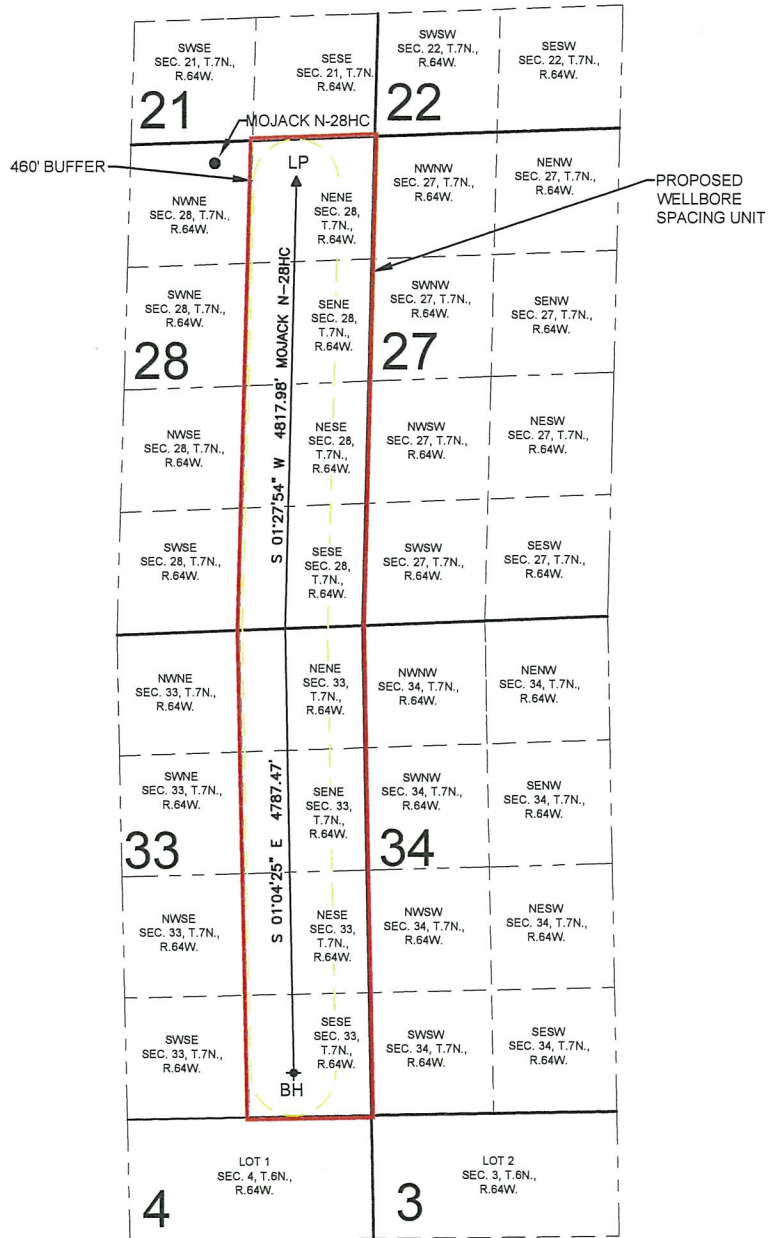
1	UNLEASED OIL AND GAS INTERESTS
	Bob McDonald
	Rick McDonald
	Nola Kari
2	NON-CONSENTING WI OWNERS
	Welco Operating, LLC
	WYOTEX Oil Company
	Noble Energy, Inc.
	Lilis Energy, Inc. f/k/a Recovery Energy, Inc.
	Grizzly Petroleum Company, LLC
3	CONSENTING WI OWNERS
	Alpha Energy Group, LLC
	Aluma Energy, LLC
	Bayswater Exploration & Production, LLC
	Bayswater Blenheim Holdings LLC
	Bayswater Blenheim Holdings II, LLC
	Green Oil Energy, LLC
	OMB Royalties II, LLC

	Shoreline Energy Holdings II, Inc.
4	ROYALTY OWNERS
	Anadarko E&P Onshore LLC
	Anadarko Land Corp.
	Bert L. Dewey
	Bessie M. Dewey
	Beverly A. Schell and Donald J. Schell, joint tenants
	Carol A. Tveitmoe
	Cary A. Kincade
	Centennial Mineral Holdings, LLC
	Charles Dewey Warren
	Darene (Maloit) Wisecup
	David E. Dewey
	Donna MacKenzie Williams
	Double Arrow Energy Company
	Double Arrow Ranch Trust utu dated October 26, 2000, John Robert Christiansen, Trustee
	Edith A. Christiansen
	Elnora Fox
	Fred James Warren
	Gail A. Pippin
	Helen L. Cook
	James Dean Carney
	James Foster
	Jennifer Foster
	JLW Investment, LLC
	John Foster
	Larry Lang
	Linda L. Dobbins
	LaVerle Londen
	Leland L. McDonald
	Linda A. Mitchell
	Linda Pfannenstiel
	Lois E. Steiner
	Lori McDonald Petersen
	Martha Brown Crouch
	Mary Gayle McDonald
	Michael E. Potter
	Mojack Interests, LLLP
	Nancy Kern
	NG Resources, LLC
	Old West Tours
	Paula J. Mitchell
	Randy McDonald
	Raymond G. Dewey, Jr.
	Richard Hime
	Robbie Mae Warren

	Tatman's Tired Hand Ranch, LLC
	Ted McDonald
	Terry J. McDonald
	Tim McDonald
	Troy E. Richter and Traci C. Richter, joint tenants
	Vicky Mangan
	Wallace Roy MacKenzie
	Weld County, Colorado

PROPOSED 318A.e. SPACING UNIT

SECTION 28, TOWNSHIP 7 NORTH, RANGE 64 WEST, 6TH P.M.
 SEC. 28: E2E2
 SEC. 33: E2E2



WELL MOJACK N-28HC TO BE LOCATED 230' FNL AND 1716' FEL, SEC. 28, T7N, R64W

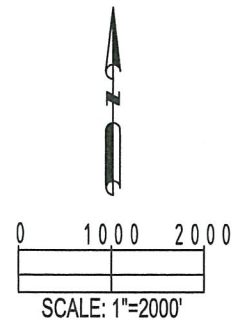
LEGEND

- = PROPOSED WELL LP = LANDING POINT
- ▲ = LANDING POINT BH = BOTTOM HOLE
- ⊕ = BOTTOM HOLE

SURFACE LOCATION
 GROUND ELEVATION= 4900'
 NAD83
 LATITUDE= 40.550684°
 LONGITUDE= 104.551368°

LANDING POINT LOCATION
 NAD83
 LATITUDE= 40.550097°
 LONGITUDE= 104.548217°

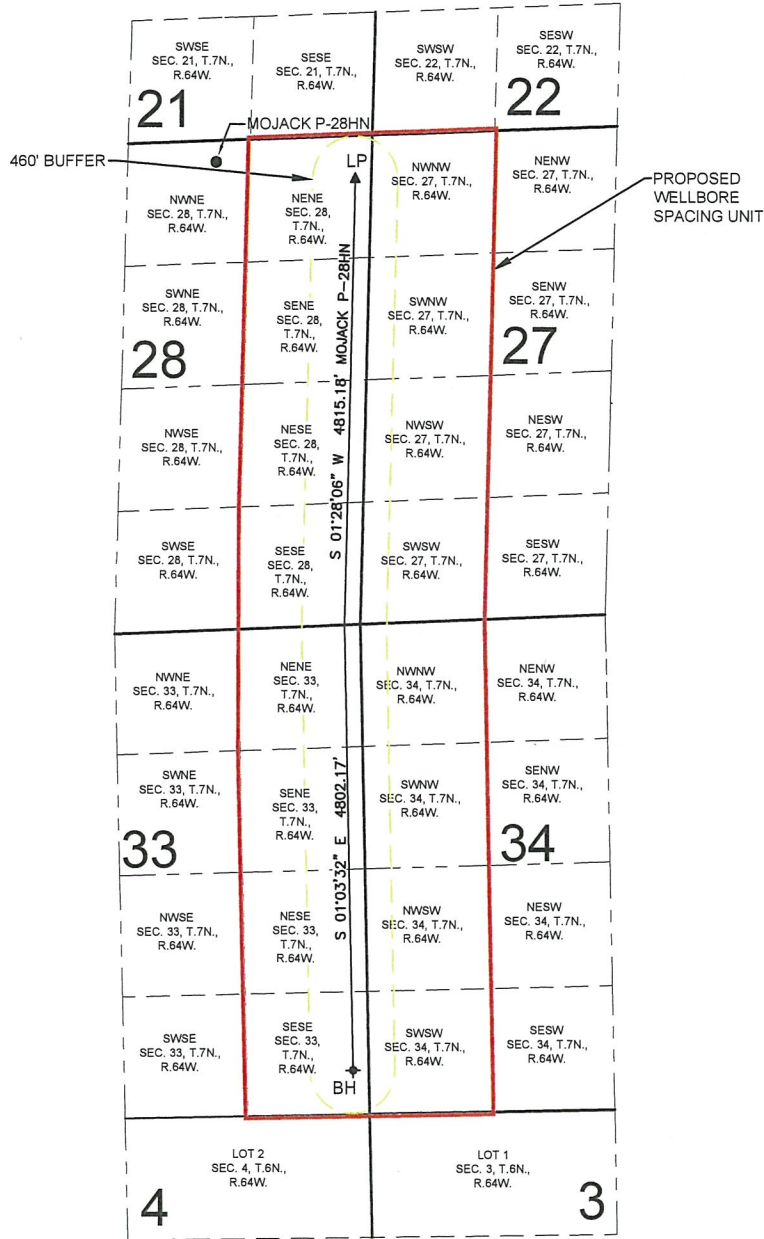
BOTTOM HOLE LOCATION
 NAD83
 LATITUDE= 40.523740°
 LONGITUDE= 104.548708°



PREPARED BY: Petroleum Field Services, LLC. 7535 Hilltop Circle Denver, CO 80221	FIELD DATE: 02-05-14	SURFACE LOCATION: NW 1/4 NE 1/4,
	DRAWING DATE: 05-19-16	SEC. 28, T7N, R64W, 6TH P.M.
BY: TJN	CHECKED: WDW	WELD COUNTY, COLORADO

PROPOSED 318A.e. SPACING UNIT

SECTION 28, TOWNSHIP 7 NORTH, RANGE 64 WEST, 6TH P.M.
 SEC. 27: W2W2, SEC. 28: E2E2
 SEC. 33: E2E2, SEC. 34: W2W2



WELL MOJACK P-28HN TO BE LOCATED 230' FNL AND 1680' FEL, SEC. 28, T7N, R64W

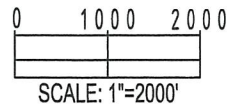
LEGEND

- = PROPOSED WELL LP = LANDING POINT
- ▲ = LANDING POINT BH = BOTTOM HOLE
- ⊕ = BOTTOM HOLE

SURFACE LOCATION
 GROUND ELEVATION= 4901'
 NAD83
 LATITUDE= 40.550687°
 LONGITUDE= 104.551239°

LANDING POINT LOCATION
 NAD83
 LATITUDE= 40.550141°
 LONGITUDE= 104.545837°

BOTTOM HOLE LOCATION
 NAD83
 LATITUDE= 40.523751°
 LONGITUDE= 104.546334°



PREPARED BY: PFS Petroleum Field Services, LLC 7535 Hilltop Circle Denver, CO 80221	FIELD DATE: 02-05-14	SURFACE LOCATION:
	DRAWING DATE: 05-19-16	NW 1/4 NE 1/4, SEC. 28, T7N, R64W, 6TH P.M.
BY: TJN	CHECKED: WDW	WELD COUNTY, COLORADO

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

IN THE MATTER OF THE APPLICATION OF)
BAYSWATER EXPLORATION & PRODUCTION,)
LLC FOR AN ORDER (1) VACATING A)
PORTION OF ORDER NO. 407-1656, (2))
VACATING ORDER NO. 407-1657, AND (3))
POOLING ALL INTERESTS IN ONE 320-ACRE)
WELLBORE SPACING UNIT LOCATED IN)
SECTIONS 28 AND 33, TOWNSHIP 7 NORTH,)
RANGE 64 WEST, 6TH P.M., FOR THE)
CODELL FORMATION AND ONE 640-ACRE)
WELLBORE SPACING UNIT LOCATED IN)
SECTIONS 27, 28, 33, AND 34, TOWNSHIP 7)
NORTH, RANGE 64 WEST, 6TH P.M., FOR THE)
NIOBRARA FORMATION, WATTENBERG)
FIELD, WELD COUNTY, COLORADO.)

Cause No. 407

Docket No. 160700283


Type: POOLING

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:

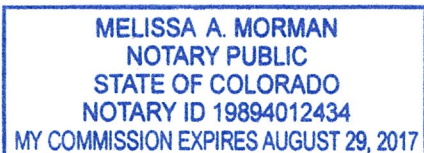
That I am the attorney for Bayswater Exploration & Production, LLC and that on or before May 25, 2016, I caused a copy of the attached Application to be deposited in the United States mail, postage prepaid, addressed to the parties listed on Exhibit A to the Application.




Joseph C. Pierzchala

Subscribed and sworn to before me May 25, 2016.

Witness my hand and official seal.





Notary Public
My commission expires: 8/29/2017

**AMENDED EXHIBIT A
INTERESTED PARTIES
DOCKET 160700283**

Mojack P-28HN Well

2	NON-CONSENTING WI OWNERS
	Lilis Energy, Inc. f/k/a Recovery Energy, Inc. NOW KNOWN AS Walter Phillip Marcum Recovery Energy 303 E 17 th Avenue, Suite 920 Denver, CO 80203-1262

Mojack N-28HC and Mojack P-28HN Wells

3	CONSENTING WI OWNERS
	OMB Royalties II, LLC 410 17 th Street, Suite 1150 Denver, CO 80202