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COGCC

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

IN THE MATTER OF THE APPLICATION OF)	
EXTRACTION OIL & GAS, LLC FOR AN)	Cause No. 407
ORDER POOLING ALL INTERESTS IN THE)	
NIOBRARA FORMATION IN TWO 560-ACRE)	Docket No. 160800329
WELLBORE SPACING UNITS COVERING	,) <u>,</u>	
CERTAIN LANDS IN SECTIONS 16, 17, 20)	Type: POOLING
AND 21, TOWNSHIP 5 NORTH, RANGE 65)	
WEST, 6TH P.M., WATTENBERG FIELD,)	
WELD COUNTY, COLORADO.)	

<u>APPLICATION</u>

Extraction Oil & Gas, LLC ("Extraction" or "Applicant"), Operator No. 10459, by 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 pooling all interests in two approximate 560-acre wellbore spacing units ("WSU") established for the S½ of Section 16, the SE¼SW¼ and S½SE¼ of Section 17, the NE¼NW¼ and N½NE¼ of Section 20 and the N½NW¼ and N½NE¼ of Section 21, Township 5 North, Range 65 West, 6th P.M., Weld County, Colorado for the development and production of oil, gas and associated hydrocarbons from the Niobrara Formation in WSU Nos. 1 and 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 following lands ("Application Lands"):

Township 5 North, Range 65 West, 6th P.M.

Section 16: S½

Section 17: SE1/4SW1/4, S1/2SE1/4

Section 20: NE1/4NW1/4, N1/2NE1/4

Section 21: N½NW¼, N½NE¼

Weld County, Colorado.

A reference map of the Application Lands is attached hereto.

1. 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. The Application Lands are subject to this Rule.

- 2. Applicant plans to drill and complete the following wells in individual wellbore spacing units covering the Application Lands in the corresponding formation:
 - a. **WSU No. 1:** Vetting 23 well (API No. Pending). Estimated spud date third quarter 2016. Located 1,969 feet FNL and 758 feet FWL, Section 15, Township 5 North, Range 65 West, 6th P.M. to produce oil, gas and associated hydrocarbons from the Niobrara Formation; and
 - b. **WSU No. 2:** Vetting 24 well (API No. Pending). Estimated spud date third quarter 2016. Located 1,966 feet FNL and 782 feet FWL, Section 15, Township 5 North, Range 65 West, 6th P.M. to produce oil, gas and associated hydrocarbons from the Niobrara Formation.

Hereinafter, the "Wells."

- 3. 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 Niobrara Formation in WSU Nos. 1 and 2.
- 4. Applicant certifies that, at least thirty-five (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 proposals 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 Wells.
- 5. 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 wells the Niobrara Formation.
- 6. 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.
- 7. 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 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. Pooling all interests in the Application Lands for the development and operation of the Niobrara Formation in WSU Nos. 1 and 2.
- B. 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 a well in the Niobrara Formation in WSU Nos. 1 and 2 on the Application Lands, whichever is earlier:
- 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 authorized wells, 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;
- D. For such other findings and orders as the Commission may deem proper or advisable in the premises.

Dated this 30th day of June, 2016

Respectfully submitted,

WELBORN SULLIVAN MECK & TOOLEY, P.C.

Joseph C. Pierzchala

Chelsey J. Russell

Welborn Sullivan Meck & Tooley, P.C.

Attorney for Applicant

1125 - 17th Street, Suite 2200

Denver, CO 80202

303-830-2500

jpierzchala@wsmtlaw.com crussell@wsmtlaw.com

Applicant's Address:

370 17th Street, Suite 5400 Denver, CO 80202

Attn: Drew Stout, Landman

Phone: 720-557-8325

VERIFICATION

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

Drew Stout, Landman with Extraction Oil & Gas, 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.

EXTRACTION OIL & GAS, LLC

Drew Stout, Landman

Subscribed and sworn to before me this 30th day of June, 2016 by Drew Stout, Landman for Extraction Oil & Gas, LLC.

Witness my hand and official seal.

MELISSA A. MORMAN NOTARY PUBLIC STATE OF COLORADO NOTARY ID 19894012434 MY COMMISSION EXPIRES AUGUST 29, 2017 Musse S. Morman C.
Notary Public
My Commission Expires: 7/34/3017

EXHIBIT A VETTING SOUTH

MICHAEL B. SMITH AND JO **ELLEN SMITH** TROY SCOTT ARMSTRONG CAROLYN E. SUNDBERG & JOHN L. SUNDBERG THEODORE MARCUS OLSEN ELIZABETH A. RAPP GERRY KAVENY LINDA G. BLACKBURN RAYMOND KAVENY SHELLY KNOTT STEPHEN MESSICK PATRICIA A. RAPP CURTIS R. SEARS JENNIFER D. SEARS JUDY KAVENY KIP M KAVENY PATRICK L KAVENY STEVEN D. SEARS RICHARD P. KOBEL AND SANDRA M. KOBEL 9TH AVENUE APARTMENTS LLC A&A CORDERO LLC AAM INVESTMENTS LLC ADAMS DEBRA JEAN ADAMS PHILLIP J AGUILAR-GUTIERREZ LORETTA LALA MELISSA All-Well LLC AMETHYST SOLUTIONS LLC APODADA MARY LOUISE ARELLANO GERARDO ARELLANO JULIA Noble Energy, Inc. Kerr-McGee Oil and Gas United States of America ARMIJO JUAN ARTURO **B&BLOCAL** CONSTRUCTION LLC **B&B REAL ESTATE LLC** BATREZ GERMAN BLACK, ROBERT M.: HERZBERGER, MARIAN L.; **BMC WEST CORPORATION** BOSE DORIS E BOSE FLOYD R BROWN MICHAEL W BRUCKNER TRUCK SALES, BURROWS RONALD R

BURROWS SHARON A BUSS KARA BUXMAN BETTY J BUXMAN LARRY D CHAVEZ DELIA JIMENEZ CITY OF GREELEY CLARK LORI L CLARK RODNEY N CLEAR FORK MINERALS, LLC COLLEGE ESTATES LLC COOKSTON HELEN C/O TODD COOKSTON COPELAND FRANK A COPELAND JANETT **CORNFORTH JAMES W** DAILY DAN M DEIBEL CAROL L DEIBEL CLIFFORD P DIEDRICHS KEITH **DOPILLC** DOTY GENE D DOTY JOYCE A DVORAK & ASSOC, LLC EASI-EQUIPMENT & SUPPLY CO END-IRA INC FBO FBO DARYL BOHLENDER IRA ESTATE OF FRANKLIN, FRED ESTATE OF SMITH, RUTH **FARRINGTON CHILDREN'S** TRUST FERGUSON LOWELL FLEET WASH CORP FOOS BETTY J FOOS MICHAEL E FOSTER MARC D FRED GROSSAINT GARCIA ANNA M GARCIA ELIAS I GARCIA RICKY L GARCIA STEPHANIE M GARDEN CITY TOWN OF GC4L INC GESICK DONALD L AND JERAN L **GONZALEZ LUIS GRAHAM KIMBERLY** GREELEY CITY OF **GREELEY COLUMBUS** CLUB ASSOCIATION INC **GREELEY IRRIGATION** COMPANY

GREENWOOD TERRY GRIEGO JERRY GRIEGO SELANI GUTIERREZ-CASILLAS GILBERTO HALLMARK THOMAS A HEMPHILL TRUCKING INC HERNANDEZ ERNESTO HERNANDEZ GUADALUPE HERNANDEZ LUCIANO HERNANDEZ CRISTELA HUBBARD WILLIAM Y III AND LINDA S HUDSON, LOUIS C. AND VALDA A. IRA SERVICES TRUST COMPANY JANDREAU NEAL J JANDREAU RAQUEL **JOHNSON 725 LLC** KENDRICK DENNIS L KINCAID KELLY KNIGHT JOSH KOSKI ELEANOR W KRIEGER CLARENCE J LIVING TRUST **KWON LILY** KWON YOUNG JIN LE MICHAEL CHONG LENHARDT TINA M LEWIS, DAVID M. **LUNA PEDRO** LUNA AURELIN LOPEZ DE MACIEL CESAR MARLIN W NESS SHIRLEY J NESS MARTINEZ JENNIE MARTINEZ JOE MARTINEZ LEOPOLDO MATSON LESLIE D MC WHIRT GWEN MEDINA MARIA E MERRIMAN RANDY K MERRIMAN LORAINE G MIDFIRST BANK, C/O JANEWAY LAW FIRM, PC MILLER LISA H MILLER MELISSA MILLER TYLER MINERALS ONLY MINERALS ONLY MINERALS ONLY MOHRLANG DOUGLAS A MONTOYA SANTIAGO MOORE NICOLE M

VETTING SOUTH
Page 1 of 2

EXHIBIT A VETTING SOUTH

PLATTEL DONALD F MORENO MANUEL C MUCK ALICE H MUCK DENNIS R MUCK DONALD H NARANJO LEO NELSON SANDRA NESS MARLIN W **NESS SHIRLEY NICHOLS ANNE** NIENHUSER RICK DONALD

NIENHUSER KATHY ANN OCHOA ALFREDO

OCHOA ESTHER H ORTIZ NARCIZO LOZANO BERHA IRMA

BONIFACIO

PARRA-RODARTE ALMA B PATRICIA H. FARRINGTON

TRUST

PAYAN FRANCISCO

PARRA

PBRJD GREELEY LAND ENTERPRISES LLC

PEAK3 LLC PET INN LLC

PIZARRO BERNARINO REED NORENE S REED ROBERT W

RICHMARK

DEVELOPMENT, LLC RICHMARK MINERAL PARTNERS, LLC RIVERA SILVIA ROCHA VALENTINA

OCHOA

RODELL GIAVONNA

ROTH JIM

ROTH JODY LYNN **RUBIO DIANE** SAENZ GABRIEL L SAKURAI ENTERPRISES

LLC

SALGADO ARMANDO A JR

SCHAEFER

REHABILITATION CENTER

INC

SCHOOL DIST No. 6 SCHULTE CATHY L SCHULTE DENNIS L SCUDDER, D. REA SE2 LAND LLC SEIFRIED BRIAN F SELF MEGAN S SELF WILLIAM J

SEVERED; SEE NOTE

SMITH BRIAN J SMITH COLLEEN H SORENSEN GARY L SORENSEN LEIGH A SOUTHERN FOODS

GROUP LP

STERLING BLACK GOLD

LLC

STROMO, LLC STUBBS LAURA M STUBBS MATTHEW A SUPER AMERICA LLC SUSSEX PARTNERS TALAMANTES MARCO ANTONIO REYES

TAN MITZE

TERLASK JILL MARIE

TRIMAC

TRANSPORTATION

CENTRAL INC

TRUNG THANH MINH TWENTY-SIX 08 CLUB OF

GREELEY

USBANK, NA C/O

MALCOLM & CISNEROS

VALENZUELA JOSE

REFUGIO

VALENZUELA NICANDRA VANBEBER DAWN R VANBEBER MARK A VARGAS CARLOS

VEGA JESUS

VETTING JAMES E AND

MICHELE I

WALKER MINDY

WALTER L. FARRINGTON

WALTER L. FARRINGTON

JR

WESTCO FAMILY LIMITED

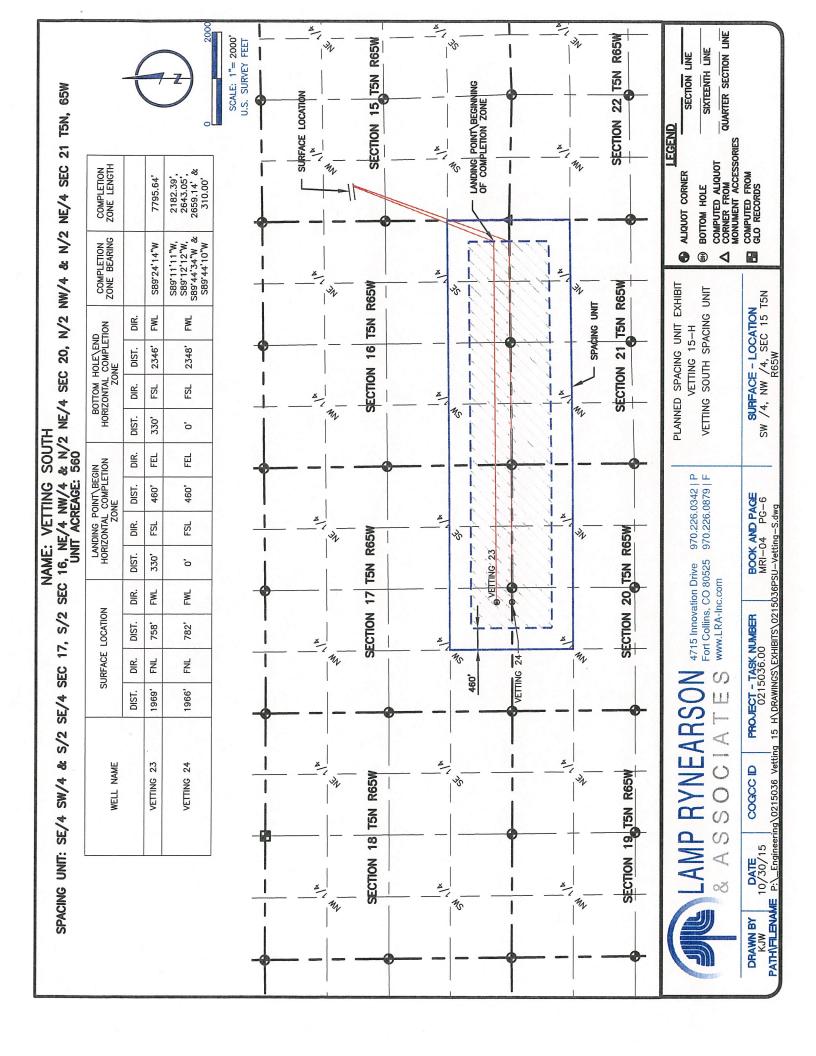
PARTNERSHIP

WHITE PHILIP R AND

DENISE

WILLIAMS ELBERTA F WILLIAMS FRANCIS S JR YURK NORMAN W JR

> VETTING SOUTH Page 2 of 2



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IN SECTIONS 16, 17, 20 AND 21, TOWNSHIP 5)	Type: POOLING
NORTH, RANGE 65 WEST, 6TH P.M.,)	
WATTENBERG FIELD, WELD COUNTY,)	
COLORADO.)	

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 Extraction Oil & Gas, LLC and that on or before July 8, 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 <u>Exhibit A</u> to the Application.

Joseph C. Pierzonala

Subscribed and sworn to before me July 7, 2016

Witness my hand and official seal.

MELISSA A. MORMAN
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 19894012434
MY COMMISSION EXPIRES AUGUST 29, 2017

Notary Public

My commission expires:

8/29/2017

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