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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 VACATING ORDER NOS. 381-5 AND 407-87 AS THEY APPLY TO THE APPLICATION LANDS, ESTABLISHING AN APPROXIMATE 686.16-ACRE DRILLING AND SPACING UNIT AND ESTABLISHING WELL LOCATION RULES APPLICABLE TO THE DRILLING AND PRODUCING OF WELLS FROM THE CODELL AND NIOBRARA FORMATIONS COVERING SECTIONS 29 AND 30, TOWNSHIP 6 NORTH, RANGE 66 WEST, 6TH P.M., WATTENBERG FIELD. WELD COUNTY. COLORADO.

Cause No. 407

Docket No. 160800374

Type: SPACING AND INCREASED DENSITY

AMENDED APPLICATION

Bayswater Exploration & Production, LLC, Operator No. 10261 ("Applicant") by and through its attorneys, Welborn Sullivan Meck & Tooley, P.C., respectfully submits this **AMENDED** Application to the Oil and Gas Conservation Commission of the State of Colorado ("Commission") for an order vacating Order Nos. 381-5 and 407-87 as they pertain to the N½ of Section 29 and the N½ of Section 30, Township 6 North, Range 66 West, 6th P.M., establishing an approximate 686.16 -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 Codell and Niobrara Formations covering certain lands in Weld County, Colorado. In support of its **AMENDED** Application, Applicant states as follows:

- 1. Applicant is a limited liability company duly authorized to conduct business in Colorado.
 - 2. Applicant owns leasehold interests in the following lands ("Application Lands"):

Township 6 North, Range 66 West, 6th P.M.

Section 29: N½
Section 30: N½

Weld County, Colorado

A reference map of the Application Lands is attached hereto.

3. On February 18, 1985, the Commission entered Order No. 381-5 which authorized the option to drill an additional well on each 80-acre drilling and spacing unit in the

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undrilled 40-acre tract for the production of oil and associated-hydrocarbons underlying the following described lands in the Bracewell Field, and that such wells shall be subject to the provisions of Order Nos. 381-1, 381-2 and 381-3. Section 29, Township 6 North, Range 66 West, 6th P.M. is subject to this Order.

- 4. On February 19, 1992, the Commission entered Order No. 407-87 (Amended), which established 80-acre drilling and spacing units for the production of oil and/or gas from the Codell-Niobrara Formations underlying lands in Adams, Boulder, Jefferson, Larimer, and Weld Counties. The Order allows for dual completion and downhole commingling as to both oil and gas in the Codell-Niobrara Formation. Section 30, Township 6 North, Range 66 West, 6th P.M. is subject to this Order.
- 5. The Codell and Niobrara Formations are common sources of supply under the Application Lands.
- 6. To promote efficient drainage of the Codell and Niobrara Formations within the Application Lands and to avoid waste, the Commission should vacate Order Nos. 381-5 and 407-87 as they pertain to the Application Lands and establish an approximate 686.16-acre drilling and spacing unit covering the Application Lands described below for production of oil, gas and associated hydrocarbons from the Codell and Niobrara Formations:

Township 6 North, Range 66 West, 6th P.M.

Section 29: N½
Section 30: N½

- 7. Applicant is requesting to drill and complete up to one (1) horizontal well in the approximate 686.16-acre drilling and spacing unit described above, with the option to drill up to a total of twelve (12) horizontal wells within the proposed unit, for production of oil, gas and associated hydrocarbons from the Codell and Niobrara Formations with the surface location to be located at a legal location in the above described drilling and spacing unit or on adjacent lands. Applicant further requests that the treated interval of each wellbore be no closer than 150 feet from the treated interval of any other wellbore producing from the Codell and Niobrara Formations, and no closer than 100 feet from a unit boundary.
- 8. The Swanson #29-11 well (API #05-123-16613) was completed on December 24, 1996, in the NENE, Section 29, Township 6 North, Range 66 West, 6th P.M., for the development and production of the Codell Formation. This well is currently producing and will remain subject to the currently applicable Commission approved drilling and spacing units and shall not become part of the proposed 686.16-acre drilling and spacing unit.
- 9. The Swanson #29-14 well (API #05-123-19252) was completed on January 28, 1993, in the SENE, Section 29, Township 6 North, Range 66 West, 6th P.M., for the development and production of the Codell Formation. This well is currently producing and will remain subject to the currently applicable Commission approved drilling and spacing units and shall not become part of the proposed 686.16-acre drilling and spacing unit.

- 10. The Goetzel I #29-2 well (API #05-123-26317) was spud on November 14, 2007, in the NWNE, Section 29, Township 6 North, Range 66 West, 6th P.M., for the development and production of the Codell Formation. This well is currently shut in and will remain subject to the currently applicable Commission approved drilling and spacing units and shall not become part of the proposed 686.16-acre drilling and spacing unit.
- 11. The Goetzel #1-29 well (API #05-123-11325) was completed on November 4, 1983, in the SWNE, Section 29, Township 6 North, Range 66 West, 6th P.M., for the development and production of the Codell and Niobrara Formations. This well is currently shut in and will remain subject to the currently applicable Commission approved drilling and spacing units and shall not become part of the proposed 686.16-acre drilling and spacing unit.
- 12. The Country 1 #29-4 well (API #05-123-26421) was spud on November 6, 2007, in the NWNW, Section 29, Township 6 North, Range 66 West, 6th P.M., for the development and production of the Codell Formation. This well is currently shut in and will remain subject to the currently applicable Commission approved drilling and spacing units and shall not become part of the proposed 686.16-acre drilling and spacing unit.
- 13. The Emerson Farms #12-29 well (API #05-123-11256) was completed on October 13, 1983, in the SWNW, Section 29, Township 6 North, Range 66 West, 6th P.M., for the development and production of the Codell Formation. This well is currently producing and will remain subject to the currently applicable Commission approved drilling and spacing units and shall not become part of the proposed 686.16-acre drilling and spacing unit.
- 14. The North Poudre #1 well (API #05-123-13140) was completed on October 12, 1986, in the NENE, Section 30, Township 6 North, Range 66 West, 6th P.M., for the development and production of the Codell Formation. This well is currently producing and will remain subject to the currently applicable Commission approved drilling and spacing units and shall not become part of the proposed 686.16-acre drilling and spacing unit.
- 15. The North Poudre #2-30 well (API #05-123-33823) was spud on September 21, 2011, in the NENE, Section 30, Township 6 North, Range 66 West, 6th P.M., for the development and production of, *inter alia*, the Codell and Niobrara Formations. This well is currently producing and will remain subject to the currently applicable Commission approved drilling and spacing units and shall not become part of the proposed 686.16-acre drilling and spacing unit.
- 16. The Firestien #30-12 well (API #05-123-25979) was spud on September 6, 2007, in the NWNE, Section 30, Township 6 North, Range 66 West, 6th P.M., for the development and production of the Codell Formation. This well is currently shut in and will remain subject to the currently applicable Commission approved drilling and spacing units and shall not become part of the proposed 686.16-acre drilling and spacing unit.
- 17. The Firestien #30-12 well (API #05-123-25979) was spud on September 6, 2007, in the NWNE, Section 30, Township 6 North, Range 66 West, 6th P.M., for the development and production of the Codell Formation. This well is currently shut in and will remain subject to the

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currently applicable Commission approved drilling and spacing units and shall not become part of the proposed 686.16-acre drilling and spacing unit.

- 18. The Harrington #2-30 well (API #05-123-10610) was completed on May 4, 1982, in the NENW, Section 30, Township 6 North, Range 66 West, 6th P.M., for the development and production of the J-Sand and Codell Formations. This well is currently shut in as to the Codell Formation and temporarily abandoned as to the J-Sand Formation and will remain subject to the currently applicable Commission approved drilling and spacing units and shall not become part of the proposed 686.16-acre drilling and spacing unit.
- 19. Applicant requests authority to drill only those wells necessary to determine the well density which allows the most efficient drainage of the Codell and Niobrara Formations, prevents waste, does not adversely affect correlative rights, and assures the greatest ultimate recovery of oil, gas and associated hydrocarbon substances from the Codell and Niobrara 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 such drilling and spacing unit. Applicant further maintains that wells drilled in the drilling and spacing unit will have no adverse effect on correlative rights of adjacent owners.
- 20. APPLICANT REQUESTS TO DRILL SUCH WELLS FROM ONE SURFACE LOCATION AT A LEGAL LOCATION ON THE APPLICATION LANDS OR AT A LEGAL LOCATION ON ADJACENT LANDS.
- 21. The names and addresses of the interested parties according to the information and belief of the Applicant are set forth in <u>Exhibit A</u> attached hereto and made a part hereof, and the undersigned certifies that copies of the original Application **WERE** served on each interested party as required by Rule 503.e., 507.b.(1), and 507.b.(5).

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 22 day of July, 2016

Respectfully submitted,

WELBORN SULLIVAN MECK & TOOLEY, P.C.

By:

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VERIFICATION

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

Blake Leavitt, CPL with Bayswater Exploration & Production, LLC, 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.

BAYSWATER EXPLORATION & PRODUCTION, LLC

Blake Leavitt, CPL

Subscribed and sworn to before me this 22nd day of July, 2016 by Blake Leavitt, CPL for Bayswater Exploration & Production, LLC.

Witness my hand and official seal.

SARAH BLAKEMORE
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20164007856
My Commission Expires Feb. 25, 2020

Notary Public

My Commission Expires: 2/25/2020