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

IN THE MATTER OF THE APPLICATION OF) Cause No. 535
BISON OIL & GAS, LLC FOR AN ORDER	,
ESTABLISHING ONE 960-ACRE DRILLING) Docket No. 161200501
AND SPACING UNIT AND ESTABLISHING)
WELL LOCATION RULES APPLICABLE TO) Type: SPACING AND
THE DRILLING AND PRODUCING OF WELLS) INCREASED DENSITY
FROM THE NIOBRARA FORMATION)
COVERING CERTAIN LANDS IN TOWNSHIP 4)
SOUTH, RANGE 64 WEST, 6TH P.M.,	ý
UNNAMED FIELD, ARAPAHOE COUNTY,)
COLORADO.	,)
	,

APPLICATION

Bison Oil & Gas, LLC ("Applicant"), Operator No. 10618, 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") for an order establishing one (1) approximate 960-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 Niobrara Formation covering certain lands in Arapahoe County, Colorado. In support of its 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 4 South, Range 64 West, 6th P.M.

Section 21: E½

Section 22: All

A reference map of the Application Lands is attached hereto.

- 3. Rule 318.a. of the Rules and Regulations of the Oil and Gas Conservation Commission requires that, on unspaced lands, wells drilled in excess of 2,500 feet in depth be located not less than 600 feet from any lease line, and located not less than 1,200 feet from any other producible or drilling oil or gas well when drilling to the same common source of supply. All of the Application Lands are subject to this Rule for the Niobrara Formation.
- 4. To promote efficient drainage of the Niobrara Formation within the Application Lands and to avoid waste, the Commission should establish one (1) approximate 960-acre drilling

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and spacing unit covering the Application Lands described below for production of oil, gas and associated hydrocarbons from the Niobrara Formation:

Township 4 South, Range 64 West, 6th P.M.

Section 21: E½
Section 22: All

- 5. Applicant is requesting to drill and complete up to four (4) horizontal wells in the 960-acre drilling and spacing unit described above, for production of oil, gas and associated hydrocarbons from the Niobrara Formation.
- 6. 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 Niobrara Formation, and no closer than 300 feet from a unit boundary, without exception being granted by the Director.
- 7. Applicant requests authority to drill only those wells necessary to determine the well density which allows the most efficient drainage of the Niobrara Formation, prevents waste, does not adversely affect correlative rights, and assures the greatest ultimate recovery of oil, gas and associated hydrocarbon substances from the Niobrara Formation. The proposed drilling and spacing unit is not smaller than the maximum area that can be economically and efficiently drained by the authorized wells in such drilling and spacing unit. Applicant further maintains that wells drilled in the above-proposed drilling and spacing unit will have no adverse effect on correlative rights of adjacent owners.
- 8. Applicant further requests that the wells are drilled from no more than two (2) well pads within the unit or from a legal location on adjacent lands.
- 9. The names and addresses of the interested parties according to the information and belief of the Applicant are set forth in Exhibit A attached hereto and made a part hereof, and the undersigned certifies that copies of this Application shall be served on each interested party within seven (7) days after filing of the application as required by Rules 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 13th day of October, 2016

Respectfully submitted, WELBQRN/SULLIVAN MECK & TOOLEY, P.C.

Ву

Sarah Sorum
Joseph C. Pierzchala
Welborn Sullivan Meck & Tooley, P.C.
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Applicant's Address: Bison Oil & Gas, LLC 999 18th St., Suite 3370 Denver, CO 80202

Attn: Ron Morgenstern Phone: 303-915-3736

VERIFICATION

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

Ron Morgenstern, Vice President of Land and Manager of Business Development for Bison 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.

BISON OIL & GAS, LLC

Ron Morgenstern

Vice President of Land and

Manager of Business Development

Subscribed and sworn to before me this <u>\frac{13}</u> day of October 2016 by Ron Morgenstern, Vice President of Land and Manager of Business Development for Bison Oil & Gas, LLC.

Witness my hand and official seal.

ABIGAIL WENK
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20164009689
MY COMMISSION EXPIRES MARCH 8, 2020

Notary Public

My Commission Expires: Mach 8, 2020

EXHIBIT A

INTERESTED PARTIES

Arapahoe County

Diane Kocis Arapahoe County Public Works & Development 6924 South Lima Street Centennial, CO 80112

Colorado Department of Public Health and Environment

Kent Kuster 4300 Cherry Creek Drive South Denver, CO 80246-1500

Colorado Parks and Wildlife

Tom Schreiner Northeast Region Office 6060 Broadway Denver, CO 80216

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EXHIBIT A CONTINUED ON NEXT PAGE

EXHIBIT A

SECTIONS 21 AND 22, TOWNSHIP 4 NORTH, RANGE 64 WEST

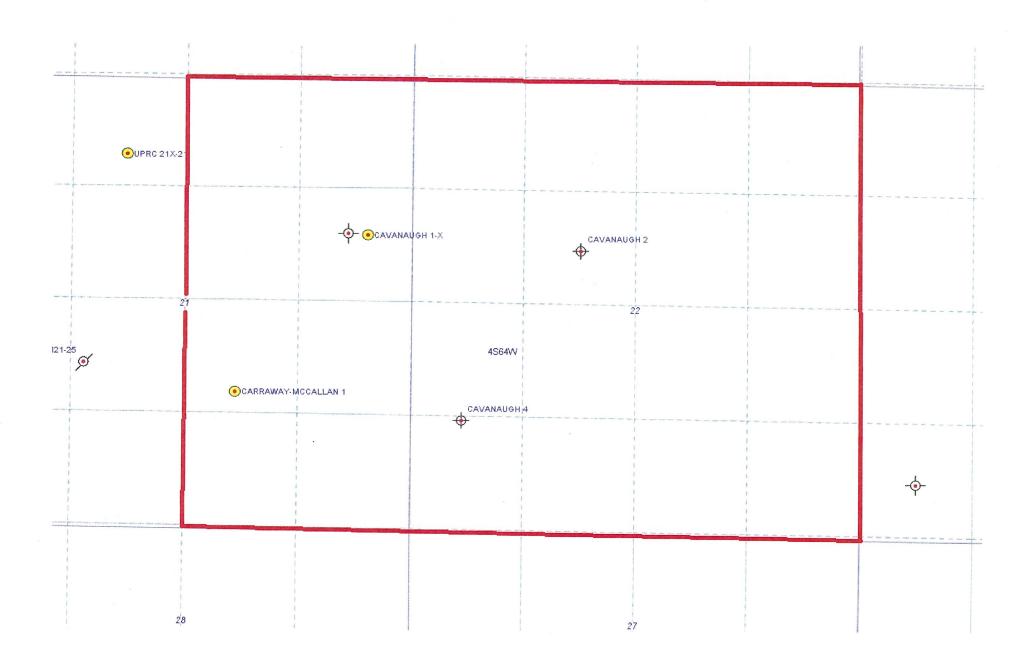
INTERESTED PARTIES

Annetta M Osborn Antelope Estates, LLC A Colorado Limited Liability Company Anthony Veruchi BARR LAKE ESTATES HC Brandon J Conlon and Hillary K. Conlon **BRENDA L WILSON** CAPUCHIN POOR CLARES OF DENVER Chesapeake Exploration CHRISTOPHER AND COURTNEY CHANDLER **CLINTON RYAN** MILLER AND RACHAEL MARIE MILLER COBALT OIL & GAS, LLC Colorado Land Board ConocoPhillips Company COUNTY OF ARAPAHOE DALE FRITZLER TRUST B

Daniel Moore and Sandy Moore Darrell Muller DON FRITZLER DONNA GUERRIERI ERIC C SWENSON Federal Deposit Insurance Corporation HELEN M BARTON Hiline Resources, LLC Houston and Mark Latorra Jeffrey and Corrine Hummel JERRY J & LINDA M FRANCIS John and Jeanna Doubrava John J. Houlihan, IV JOHN W & LESLIE J **HANKS** John William Steiner and Korina Kay Steiner JULIA M CARVER Kevin and Tamy Knigge LEIF SWENSON LEWIS GALAMB LPD ENERGY LLC LXA Investmnets, LLC

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MARK D SWENSON Michael and Traci Davis Michael Waldren and Kimberly Waldren **NEAL J. STEPHENS** AND ANGIE C. STEPHENS TRUST Neil and Rita Hummel PAMCO OIL & GAS LLC PAUL DRAGUL Prelude Petroleum LLC RDP ROYALTIES, LLC Susan Dahncke & Albert Dahncke THERESIA P CAVANAUGH THOMAS H PICKENS Thomas Waskosky and Gee Mei Tan TODD MICHAEL **GARRETT** TRUMAN LEUTHAUSER VERNON J. TROYER WILLIAM E OSBORN



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AFFIDAVIT OF MAILING

STATE OF COLORADO

CITY AND COUNTY OF DENVER

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I, Sarah Sorum, of lawful age, and being first duly sworn upon my oath, state and declare:

That I am the attorney for Bison Oil & Gas, LLC and that on or before October 20. 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.

Sarah Sorum

Subscribed and sworn to before me October 21, 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: \[\int \lambda \ \