## BEFORE THE OIL & GAS CONSERVATION COMMISSION OF THE STATE OF COLORADO

IN THE MATTER OF AN APPLICATION BY EXTRACTION OIL & GAS, INC. FOR AN ORDER CAUSE NO. 407 POOLING ALL INTERESTS IN AN APPROXIMATE 320-ACRE DESIGNATED HORIZONTAL DOCKET NO. WELLBORE SPACING UNIT FOR CERTAIN PORTIONS OF SECTIONS 26 AND 27, TOWNSHIP 5 NORTH, RANGE 68 WEST, 6TH P.M., FOR THE DEVELOPMENT/OPERATION OF THE NIOBRARA FORMATION, WATTENBERG FIELD, LARIMER COUNTY, COLORADO

TYPE: POOLING

## **APPLICATION**

Extraction Oil & Gas, Inc., Operator No. 10459 ("Extraction" or "Applicant"), by and through its attorneys, Beatty & Wozniak, P.C., respectfully submits this Application to the Oil and Gas Conservation Commission of the State of Colorado ("Commission") for an order pooling all interests in an approximate 320-acre horizontal wellbore spacing unit established for certain portions of Sections 26 and 27, Township 5 North, Range 68 West, 6th P.M., for the development and operation of the Niobrara Formation. In support of its Application, Applicant states and alleges as follows:

- Applicant is a corporation duly authorized to conduct business in the State of Colorado, and has registered as an operator with the Commission.
  - 2. Applicant is an Owner in the below-listed lands:

Township 5 North, Range 68 West, 6th P.M.

Section 26: S½S½ Section 27: S1/S1/2

Wellbore Spacing Unit ("WSU") No. 1 320 acres, more or less, Larimer County, Colorado.

These lands are hereinafter collectively referred to as the "Application Lands" and depicted in Exhibit A, attached hereto.

On April 27, 1998, the Commission adopted Rule 318A. which, among other things, allowed certain drilling locations to be utilized to drill or twin a well, deepen a well 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 allow interior infill and boundary wells to be drilled and wellbore spacing units to be established. On August 8, 2011, Rule 318A. was again amended to, among other things, address drilling of horizontal wells. Application Lands are subject to Rule 318A.

- 4. Upon information and belief, Applicant designated an approximate 320-acre horizontal wellbore spacing unit comprised of certain portions of the Application Lands, for the below-described well, for the production of oil, gas, and associated hydrocarbons from the Niobrara Formation. Applicant notified all owners in the proposed wellbore spacing unit pursuant to Rule 318A.e.(5). Applicant did not receive objections to the establishment of the proposed horizontal wellbore spacing unit within the 30-day response period:
- a. McGirr 11N Well (API No. 05-069-06491) Niobrara Formation WSU #1.

This well is hereinafter referred to as the "Subject Well."

- 5. Acting pursuant to the relevant provisions of §34-60-116(6) & (7), C.R.S., and Rule 530., Applicant seeks an order pooling all interests, including, but not limited to, any nonconsenting interests, in WSU No. 1 established for the Application Lands, for the development and operation of the Niobrara Formation.
- 6. Applicant requests that the Commission's pooling order be made effective as of the earlier of the date of this Application, or the date that the costs specified in §34-60-116(7)(b), C.R.S. are first incurred for the drilling of the Subject Well within WSU No. 1.
- 7. Further, Applicant requests 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 Subject Well, are made subject to the cost recovery provisions of §34-60-116(7), C.R.S., effective as of the earlier of the date of the Application, or the date the costs specified in §34-60-116(7)(b), C.R.S. are first incurred for the drilling of the Subject Well.
- 8. The granting of this Application is in accord with the Oil and Gas Conservation Act, found at §§34-60-101, et seq., C.R.S., and the Commission rules.
- 9. Applicant requests that relief granted under this Application should be effective on oral order by the Commission, and Applicant hereby agrees to be bound by said oral order.
- 10. The undersigned certifies that copies of this Application will be served on each interested party as required by Rule 507 within seven (7) days of the filing hereof, as required by Rule 503.e.

WHEREFORE, Applicant respectfully requests that this matter be set for hearing, that notice be given as required by law and that upon such hearing, the Commission enter its order:

A. Pooling all interests in WSU No. 1 established for the Application Lands, for the development and operation of the Niobrara Formation, effective as of the earlier

of the date of this Application, or the date that the costs specified in §34-60-116(7)(b), C.R.S. are first incurred for the drilling of the Subject Well within WSU No. 1.

- B. 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 Subject Well, are made subject to the cost recovery provisions of §34-60-116(7), C.R.S., effective as of the earlier of the date of the Application, or the date the costs specified in §34-60-116(7)(b), C.R.S. are first incurred for the drilling of the Subject Well.
- C. For such other findings and orders as the Commission may deem proper or advisable in the premises.

DATED this 31st day of August, 2017.

Respectfully submitted,

EXTRACTION OIL & GAS, INC.

Applicant's Address: Extraction Oil & Gas, Inc. ATTN: Ellen Brown 370 17th Street, Suite 5300 Denver, CO 80202

## **VERIFICATION**

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

Ellen Brown, Landman for Extraction Oil & Gas Inc., upon oath deposes and says that she has read the foregoing Application and that the statements contained therein are true to the best of her knowledge, information, and belief.

EXTRACTION OIL & GAS INC.

Ellen Brown

Subscribed and sworn to before me this 31st day of August, 2017, by Ellen Brown, Landman for Extraction Oil & Gas Inc.

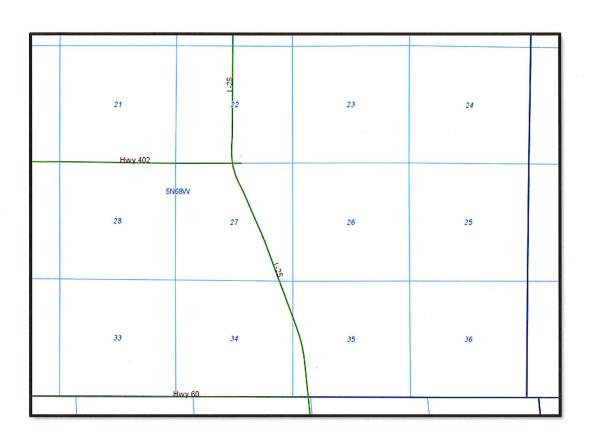
Witness my hand and official seal.

My commission expires: 1/21/2018

JESSE NICOLE SCHMIDT
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20144002537
MY COMMISSION EXPIRES JANUARY 21, 2018

Notary Public

**EXHIBIT A**Reference Map for Pooling Application



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IN THE MATTER OF AN APPLICATION BY EXTRACTION OIL & GAS, INC. FOR AN ORDER POOLING ALL INTERESTS IN AN APPROXIMATE 320-ACRE DESIGNATED HORIZONTAL WELLBORE SPACING UNIT FOR CERTAIN PORTIONS OF SECTIONS 26 AND 27, TOWNSHIP 5 NORTH, RANGE 68 WEST, 6TH P.M., FOR THE DEVELOPMENT/OPERATION OF THE NIOBRARA FORMATION, WATTENBERG FIELD, LARIMER COUNTY, COLORADO

CAUSE NO. 407

**DOCKET NO. 171000756** 

TYPE: POOLING

# **AFFIDAVIT OF MAILING**

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

Grace Go-Hoveland, of lawful age, and being first duly sworn upon her oath, states and declares:

That she is a Legal Assistant at Beatty & Wozniak, P.C., attorneys for Extraction Oil & Gas, Inc., and on or before the 7<sup>th</sup> day of September, 2017, 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 attached hereto.

Grace Go-Hoveland

Luida Bowlen

Subscribed and sworn to before me this \_\_\_\_\_ day of September, 2017.

Witness my hand and official seal.

AIDA LINDA BOWLIN Notary Public State of Colorado Notary ID 19984012218 My Commission Expires May 1, 2018 Notary Public

#### **EXHIBIT A**

### INTERESTED PARTIES

The names and addresses of the interested parties (persons who own any interest in the mineral estate of the tracts to be pooled, except owners of overriding royalty interest) according to the information and belief of the Applicant are set forth in this Exhibit A.

Beverly E. Davis 13643 N. 107th Dr. Sun City, AZ 85351

Buckley D. Graybill P.O. Box 320 Johnstown, CO 80534

Cruz Ana Calvillo 6683 E. County Road 16 Johnstown, CO 80534

DSK Resources, LLC 1416 Harris Drive Fort Collins, CO 80524

Edward F. Dunklee 9250 Tennyson St. Westminster, CO 80031

James J. Davis 11615 North Walapai Circle Fountain Hills, AZ 85268

Karen L. Graybill P.O. Box 320 Johnstown, CO 80534

Lincoln Energy, LLC P.O. Box 6975 Denver, CO 80206

Magnolia, L.L.C. P.O. Box 51510 Midland, TX 79710

Mark V. Gregg and Diane D. Gregg, Joint Tenants 811 N. 7th St. Red Oak, IA 51566

Synergy Resources Corporation 20203 Highway 60 Platteville, CO 80651

TEnergy Corporation P.O. Box 359 Loveland, CO 80539-0359 The Gregg Family Revocable Trust dated March 10, 1992, Ben H. Gregg, Jr. or Margery H. Gregg, Trustees 18602 Avenida Del Rey Rio Verde, AZ 85263

The Pulliam Non-Exempt Family Trust, U/A January 23, 1987, as Amended, Sandra S. Olson, Jennifer O. Kelly and Julia D. Olson, Co-Trustees 4977 Homestead St. Littleton, CO 80123

Wildflower Revocable Living Trust, Beverly Eldene Davis, Trustee 13643 N. 107th Dr. Sun City, AZ 85351

Anadarko E&P Onshore LLC 1201 Lake Robbins Dr. The Woodlands, TX 77380

Brent W. Graybill 1113 N. 6th St. Johnstown, CO 80534

Carylon J. Richmann 14552 Cherry Street Brighton, CO 80602

Dorothy Hamilton Trust u/a dated 6/11/1993, Scott B. Hamilton, Successor Trustee 7114 Stove Prairie Rd. Bellvue, CO 80512

Dunklee Company 3507 Wessinger Rd. Chapin, SC 29036

HJJ, LLC 14154 Lexington Cir. Westminster, CO 80023

Julio Calvillo 6683 E. County Road 16 Johnstown, CO 80534 Kerr-McGee Oil & Gas Onshore LP 1099 18th Street Denver, CO 80202

M. Heather Banks and Dirk D. Banks, Joint Tenants 2279 S. County Road 3 E Johnstown, CO 80534

Magpie Operating, Inc. 2707 S CR 11 Loveland, CO 80537

Richard A. and Nancy A. Mollandor Trust, Richard A. Mollandor and Nancy A. Mollandor, Trustees 4513 West 14th Street Greeley, CO 80634

Tekton Energy, LLC 200 Plaza Drive, Suite 100 Highlands Ranch, CO 80129

Teryl J. Richmann 14552 Cherry Street Brighton, CO 80601

The Home State Bank 935 North Cleveland Loveland, CO 80537

Vaughan McTernan 2609 Rigel Dr. Colorado Springs, CO 80906

Yellow Roof Development, LLC 701 Parkcenter Santa Ana, CA 92705