

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

IN THE MATTER OF AN APPLICATION BY 8 NORTH LLC FOR AN ORDER AUTHORIZING AN ADDITIONAL THIRTY-ONE (31) HORIZONTAL WELLS, FOR A TOTAL OF THIRTY-TWO (32) HORIZONTAL WELLS, FOR PRODUCTION FROM THE CODELL AND NIOBRARA FORMATIONS IN AN APPROXIMATE 2,720-ACRE DRILLING AND SPACING UNIT PROPOSED FOR SECTIONS 13, 14, 23, AND 24, TOWNSHIP 2 NORTH, RANGE 69 WEST, 6TH P.M. AND SECTION 18, TOWNSHIP 2 NORTH, RANGE 68 WEST, 6TH P.M., WATTENBERG FIELD, BOULDER AND WELD COUNTIES, COLORADO

CAUSE NO. 407

DOCKET NO.

TYPE: DENSITY

APPLICATION

8 North LLC, Operator No. 10575 ("8 North" 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 authorizing the drilling of an additional thirty-one (31) horizontal wells, for a total of up to thirty-two (32) horizontal wells, in an approximate 2,720-acre drilling and spacing unit proposed for Sections 13, 14, 23, and 24, Township 2 North, Range 69 West, 6th P.M., and Section 18, Township 2 North, Range 68 West, 6th P.M., for the production of oil, gas, and associated hydrocarbons from the Codell and Niobrara Formations. In support of its Application, Applicant states and alleges as follows:

1. Applicant is a limited liability 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 2 North, Range 69 West, 6th P.M.

Section 13: All

Section 14: All

Section 23: All

Section 24: All

Boulder County, Colorado

Township 2 North, Range 68 West, 6th P.M.

Section 18: SW $\frac{1}{4}$

Weld County, Colorado

2,720 acres, more or less.

These lands are hereinafter referred to as the “Application Lands” and depicted in Exhibit A attached hereto.

3. 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. The Application Lands are subject to certain portions of Rule 318A.

4. On or about February 19, 1992 (amended August 20, 1993), the Commission entered Order No. 407-87, which, among other things, established 80-acre drilling and spacing units for the production of oil, gas and associated hydrocarbons from the Codell-Niobrara Formations. The Application Lands are subject to Order No. 407-87.

5. On or about May 16, 2017, the Commission entered Order No. 407-405, which, among other things, established an approximate 320-acre wellbore spacing unit for the S½ of Section 18, Township 2 North, Range 68 West, 6th P.M., and authorized the drilling of one horizontal well within the unit (to accommodate the planned Williams #3A-18H Well (API No. 05-123-33423)), for the production of oil, gas, and associated hydrocarbons from the Niobrara Formation, with the treated interval of the wellbore to be located no closer than 460 feet from the boundary of the unit, without exception being granted by the Director of the Commission. Portions of the Application Lands are subject to Order No. 407-405.

6. The online records maintained by the COGCC indicate that nineteen (19) vertical or directional wells are currently producing in the Application Lands, as depicted below.

API No.	Operator	Well Name	Q/Q	SEC	TWN	RNG	Formation
05-013-06152	8 North LLC	STROMQUIST 2	SESE	13	2N	69W	JSND
05-013-06183	8 North LLC	STROMQUIST 1	SESW	13	2N	69W	JSND
05-013-06232	K P Kauffman ¹	TABOR 7	NWNW	14	2N	69W	NB-CD
05-013-06190	Applicant	SWANSON 1-14	SESE	14	2N	69W	JNCD
05-013-06567	Crestone Peak ²	ROSS 41-24	NENE	24	2N	69W	JNCD
05-013-06549	Crestone Peak	STROMQUIST 43-24	NESE	24	2N	69W	JNCD
05-013-06504	Crestone Peak	ROSS 31-24	NWNE	24	2N	69W	JNCD

¹ K P Kauffman Company Inc.

² Crestone Peak Resources Operating LLC

05-013-06522	Crestone Peak	HARTSHORN 33-24	NWSE	24	2N	69W	JNCD
05-013-06109	Crestone Peak	LABER K UNIT 1	SESE	24	2N	69W	J-CDL
05-013-06578	Crestone Peak	LABER 44-24	SESE	24	2N	69W	JNCD
05-013-06208	8 North LLC	STROMQUIST #4	SESW	24	2N	69W	JSND
05-013-06566	Crestone Peak	ROSS 32-24	SWNE	24	2N	69W	JNCD
05-013-06548	Crestone Peak	LABER 34-24	SWSE	24	2N	69W	JNCD
05-123-13802	Crestone Peak	WILLIAMS E UNIT #1	CSW	18	2N	68W	JNCD
05-123-21956	Crestone Peak	WILLIAMS 23-18	NESW	18	2N	68W	JNCD
05-123-24882	Crestone Peak	WILLIAMS #13-18	NWSW	18	2N	68W	JNCD
05-123-21957	Crestone Peak	WILLIAMS #24-18	SESW	18	2N	68W	JNCD
05-123-33423	Crestone Peak	WILLIAMS #3A-18H	SWSW	18	2N	68W	NB
05-123-25511	Crestone Peak	WILLIAMS #14-18	SWSW	18	2N	68W	JNCD

Applicant hereby confirms that each of these wells shall remain subject to applicable spacing orders and/or rules of the Commission, and shall not be affected by Applicant's requested relief under this Application. Proceeds from the sale of oil or gas from these wells shall continue to be distributed based on the applicable spacing orders and/or rules for these wells.

7. Pending before the Commission is an amended application for the October 2017 Hearing in Docket No. 171000695 filed by the Applicant requesting the Commission establish the Application Lands as an approximate 2,720-acre drilling and spacing unit for the Codell and Niobrara Formations and authorize the drilling of one horizontal well within the Application Lands for the production of oil, gas, and associated hydrocarbons from the Codell and Niobrara Formations.

8. Applicant requests it be authorized to drill and complete up to thirty-two (32) horizontal wells in the approximate 2,720-acre drilling and spacing unit proposed for the Application Lands, for the production of oil, gas, and associated hydrocarbons from the Codell and Niobrara Formations, as necessary to economically and efficiently recover resources, while minimizing surface impacts, creating efficiencies for drilling and production, increasing the ultimate recovery of the reserves, preventing waste, and protecting correlative rights.

9. Applicant requests that setback and location requirements for the Application Lands be as follows:

a. For any permitted wells to be drilled under this Application, the treated intervals of the wellbores should be not less than 460 feet from the unit boundaries with an inter-well setback of not less than 150 feet from a treated interval of a well producing from the Codell and Niobrara Formations, without exception being granted by the Director.

b. Any horizontal wells to be drilled under this Application for production from the Codell and Niobrara Formations will be drilled from the surface of the drilling unit,

or on adjacent lands with consent of the landowner, from no more than three (3) surface locations, unless an exception is granted by the Director

10. 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.

11. 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.

12. 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 an order:

A. Authorizing the drilling of up to thirty-two (32) horizontal wells within the unit, for the production of oil, gas and associated hydrocarbons from the Codell and Niobrara Formations, with the treated intervals of the wellbores of any permitted wells to be located not less than 460 feet from the outer boundary of the unit and not less than 150 feet from a treated interval of any well being drilled or producing from the Codell and Niobrara Formations, without exception being granted by the Director.

B. Providing that any horizontal wells to be drilled in the unit will be drilled from no more than three (3) multi-well pads on the surface of the drilling unit, or on adjacent lands with consent of the landowner, and the wellbores may enter the Codell and Niobrara Formations anywhere within the unit, or on adjacent lands, without exception being granted by the Director.

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

DATED this 19th day of September, 2017.

Respectfully submitted,

8 NORTH LLC

By: Jobediah J. Rittenhouse
Jillian Fulcher
Jobediah J. Rittenhouse
Beatty & Wozniak, P.C.
Attorneys for Applicant
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jrittenhouse@bwenerylaw.com

Address of Applicant
8 North LLC
ATTN: Jason Rayburn
370 17th Street, Suite 5300
Denver, Colorado 80202

VERIFICATION

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

Jason Rayburn, Landman for 8 North 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.

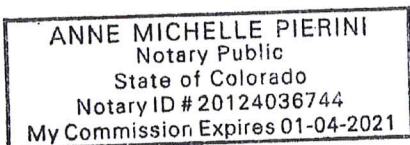
8 NORTH LLC

Jason Rayburn

Subscribed and sworn to before me this 18th day of SEPTEMBER 2017, by Jason Rayburn, Landman for 8 North LLC.

Witness my hand and official seal.

My commission expires: 1/4/21



An Pieri
Notary Public

Exhibit A

Reference Map for Application

Township 2 North, Range 69 West, 6th P.M.

Section 13: All

Section 14: All

Section 23: All

Section 24: All

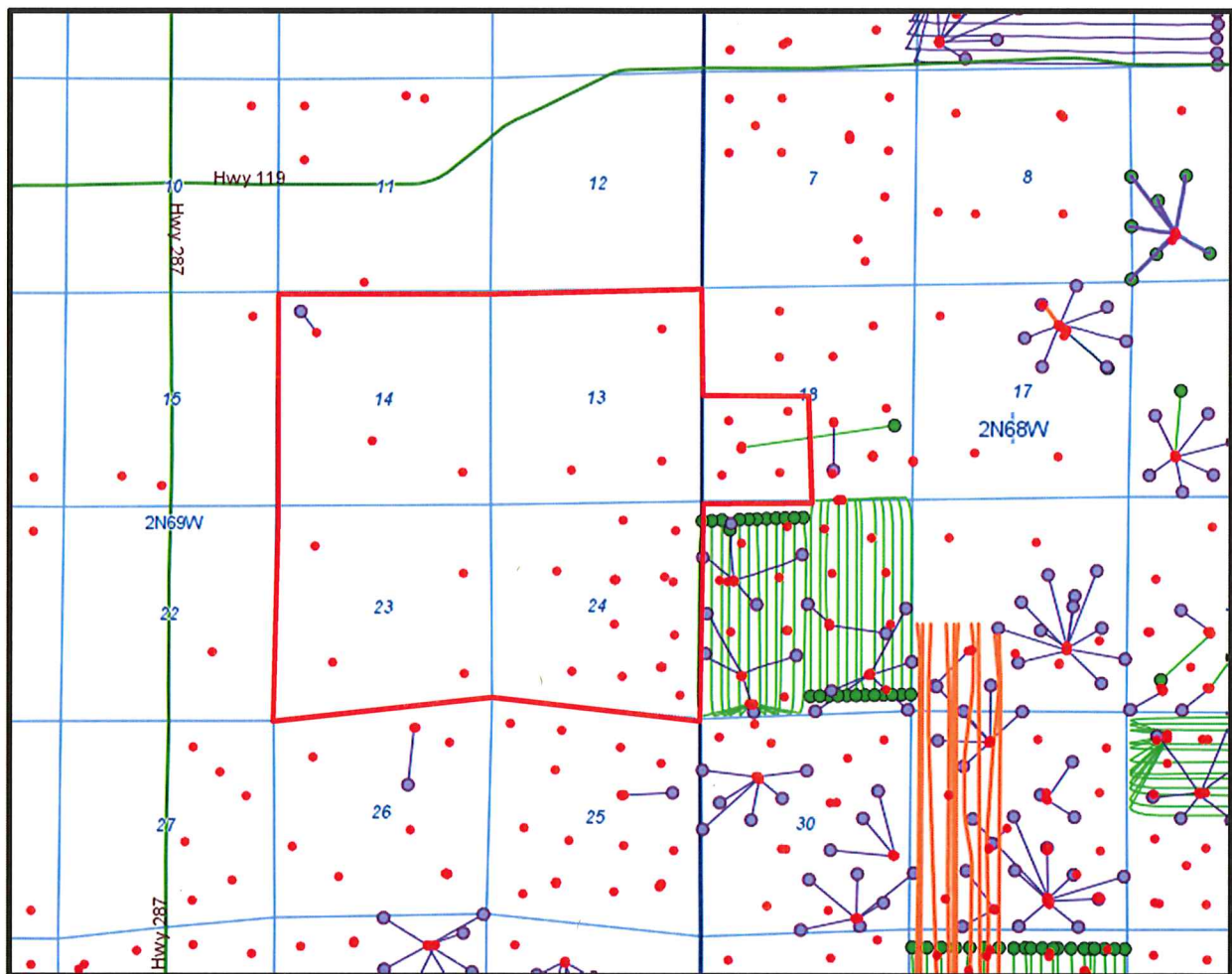
Boulder County, Colorado

Township 2 North, Range 68 West, 6th P.M.

Section 18: SW $\frac{1}{4}$

Weld County, Colorado

2,720 acres, more or less.



 = Application Lands

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LLC FOR AN ORDER AUTHORIZING AN
ADDITIONAL THIRTY-ONE (31) HORIZONTAL
WELLS, FOR A TOTAL OF THIRTY-TWO (32)
HORIZONTAL WELLS, FOR PRODUCTION FROM
THE CODELL AND NIOBRARA FORMATIONS IN AN
APPROXIMATE 2,720-ACRE DRILLING AND
SPACING UNIT PROPOSED FOR SECTIONS 13, 14,
23, AND 24, TOWNSHIP 2 NORTH, RANGE 69
WEST, 6TH P.M. AND SECTION 18, TOWNSHIP 2
NORTH, RANGE 68 WEST, 6TH P.M., WATTENBERG
FIELD, BOULDER AND WELD COUNTIES,
COLORADO

TYPE: DENSITY

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

That she is a Legal Assistant at Beatty & Wozniak, P.C., attorneys for Extraction Oil & Gas, Inc., and on or before the 26th 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

Subscribed and sworn to before me this 19th day of September, 2017.

TERESA L. PETERSON
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 19894002026
MY COMMISSION EXPIRES OCT.4, 2017

Notary Public

EXHIBIT A

INTERESTED PARTIES

BRANDON MARETTE, ENERGY LIAISON
COLORADO PARKS AND WILDLIFE
NORTHEAST REGION OFFICE
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DENVER, CO 80216

DALE CASE
BOULDER COUNTY
PO BOX 471
BOULDER, CO 80306

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INDIAN HILLS, CA 92210-89419

GERT LLC
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JOHN M OUZTS
3570 EAST ENTRADA DEL SOL
TUCSON, AZ 85718

KENT KUSTER
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COLORADO DEPARTMENT OF
PUBLIC HEALTH & ENVIRONMENT
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TROY SWAIN
WELD COUNTY
DEPARTMENT OF PLANNING SERVICES
1555 NORTH 17TH AVENUE
GREELEY, CO 80631

VIOLA PRODUCTION INC
P.O. BOX 515226
DALLAS, TX 75251

CRESTONE PEAK RESOURCES
1801 CALIFORNIA ST., SUITE 2500
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CRABTREE OIL AND GAS COMPANY
5430 LBJ FREEWAY
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AGS OIL AND GAS VENTURES
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ENGLEWOOD, CO 80110

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LONGMONT, CO 80503

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LONGMONT, CO 80504

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9108 NORTH 119TH STREET
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CORPORATION
1810 GREYSTONE DRIVE
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LAURENCE ANDREW FLECK
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10200 BLAIR LANE
WILLOUGHBY, OH 44094

MEMCO MANAGEMENT CORPORTION OF
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AMARILLO, TX 79101

TANNER HILL AND SARAH HILL
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THE LEGAL HEIRS OF THE ESTATE OF W. TOM
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PARKER, CO 80138

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DWIGHT K. HILL AND LEE HILL
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324 PETROLEUM BUILDING
BILLINGS, MT 59101

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5050 PEAR RIDGE DRIVE
DALLAS, TX 75287-3147

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KAILUA, HI 96734

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CENTENNIAL, CO 80121

THE LEGAL HEIRS OF THE ESTATE OF
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