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

IN THE MATTER OF AN APPLICATION BY CCRP OPERATING INC., FOR AN ORDER TO, AMONG OTHER THINGS, 1) VACATE AN APPROXIMATE 640-ACRE DRILLING AND SPACING UNIT ESTABLISHED BY ORDER NO. 535-28 FOR SECTION 5, TOWNSHIP 11 NORTH, RANGE 64 WEST, 6TH P.M., 2) ESTABLISH AN APPROXIMATE 1280-ACRE DRILLING AND SPACING UNIT, AND 3) AUTHORIZE UP TO EIGHT (8) WELLS FOR PRODUCTION FROM THE NIOBRARA FORMATION AND UP TO SIX (6) WELLS FOR PRODUCTION FROM THE CODELL, FORT HAYES AND CARLILE FORMATIONS, FOR SECTION 32, TOWNSHIP 12 NORTH, RANGE 64 WEST, 6TH P.M. AND SECTION 5, TOWNSHIP 11 NORTH, RANGE 64 WEST, 6TH P.M., UNNAMED FIELD, WELD COUNTY, COLORADO

CAUSE NO. 535

DOCKET NO.

TYPE: SPACING

APPLICATION

CCRP Operating Inc., Operator No. 10665 ("CCRP" 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 vacating an approximate 640-acre drilling and spacing unit established by Order No. 535-28 for Section 5, Township 11 North, Range 64 West, for production from the Niobrara Formation, and establishing an approximate 1280-acre drilling and spacing unit for Section 32, Township 12 North, Range 64 West, 6th P.M. and Section 5, Township 11 North, Range 64 West, 6th P.M., and authorizing up to eight (8) horizontal wells within the proposed unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation, and up to six (6) horizontal wells within the proposed unit, for the production of oil, gas and associated hydrocarbons from the Codell, Fort Hayes and Carlile Formations. In support of its Application, Applicant states and alleges as follows:

- 1. Applicant is a limited partnership 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 12 North, Range 64 West, 6th P.M. Section 32: All

Township 11 North, Range 64 West, 6th P.M. Section 5: All

1280-acres, more or less, Weld County, Colorado.

These lands are hereinafter referred to as the "Application Lands." A map depicting the acreage comprising the Application Lands is attached hereto and marked as <u>Exhibit A</u>.

- 3. Rule 318.a. of the Commission Rules provides a well to be drilled 2,500 feet or greater shall be located not less than 600 feet from any lease line, and shall be located not less than 1,200 feet from any other producible oil or gas well when drilling to the same common source of supply, unless authorized by the Commission upon hearing. The Application Lands are subject to Rule 318.a.
- 4. On June 27, 2011, the Commission entered Order No. 535-28, which among other things, established fifty two (52) approximate 640-acre drilling and spacing units for certain lands located in Townships 6, 8, 10, and 11 North, Ranges 59 through 64, 66, and 67 West, 6th P.M., and approve one horizontal well within each unit, for the production of gas and associated hydrocarbons from the Niobrara Formation. Section 5 of the Application Lands is included in this Order No. 535-28.

Vacating Order No. 535-28 as to Section 5, Township 11 North, Range 64 West

5. Applicant requests the Commission vacate an approximate 640-acre drilling and spacing unit established by Order No. 535-28 for Section 5, Township 11 North, Range 64 West, 6th P.M., for production from the Niobrara Formation. The remainder of Order No. 535-28, effecting lands outside Section 5, Township 11 North, Range 64 West, 6th P.M., is not affected by this application. There are currently no wells producing in Section 5, Township 11 North, Range 64 West, 6th P.M. in any formation.

Establishing a 1280-acre drilling and spacing unit

- 6. Applicant requests the Commission establish the Application Lands as a drilling and spacing unit for the Niobrara, Codell, Fort Hayes and Carlile Formations pursuant to Rule 503.b.(1) and §34-60-116(2), C.R.S. For the Application Lands, the proposed drilling unit is not smaller than the maximum area that can be economically and efficiently drained by the horizontal wells proposed to be drilled under this Application and completed in the Niobrara, Codell, Fort Hayes and Carlile Formations.
- 7. Further, Applicant requests it be authorized to drill and complete eight (8) horizontal wells in the drilling and spacing unit proposed for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation, as well as six (6) horizontal wells in the drilling and spacing unit, for the production of oil, gas and associated hydrocarbons from the Codell, Fort Hayes and Carlile 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.

Setback and Location Requirements

- 8. Applicant requests that setback and location requirements for the Application Lands be as follows:
- a. Any horizontal wells to be drilled under this Application for production from the Niobrara, Codell, Fort Hayes and Carlile Formations will be drilled from the surface of the drilling unit, or on adjacent lands with consent of the landowner,

from no more than four (4) surface locations, unless an exception is granted by the Director.

- b. The wellbores of any horizontal wells to be drilled under this Application may enter the Niobrara, Codell, Fort Hayes and Carlile Formations anywhere within the unit, or on adjacent lands, without exception being granted by the Director.
- c. For any permitted wells to be drilled under this Application for production from the Niobrara, Codell, Fort Hayes and Carlile Formations, the productive intervals of the wells shall be not less than 150 feet from the productive interval of another well producing from the same formation, without exception being granted by the Director.
- d. For any permitted wells to be drilled under this Application for production from the Niobrara, Codell, Fort Hayes and Carlile Formations, the productive interval of any permitted well shall be located no closer than 300 feet from the unit boundary.
- 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 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.
- 11. 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. Vacating an approximate 640-acre drilling and spacing unit established by Order No. 535-28, for Section 5, Township 11 North, Range 64 West, 6th P.M., for production from the Niobrara Formation.
- B. Establishing an approximate 1280-acre drilling and spacing unit for the Application Lands, and authorizing up to eight (8) horizontal wells within the unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation, and up to six (6) horizontal wells within the unit, for the production of oil, gas and associated hydrocarbons from the Codell, Fort Hayes and Carlile Formations.
- C. Providing that setback and location requirements for the Application Lands be as follows:
- a. Any horizontal wells to be drilled under this Application for production from the Niobrara, Codell, Fort Hayes and Carlile Formations will be drilled from the surface of the drilling unit, or on adjacent lands with consent of the landowner, from no more than four (4) surface locations, unless an exception is granted by the Director.

- b. The wellbores of any horizontal wells to be drilled under this Application may enter the Niobrara, Codell, Fort Hayes and Carlile Formations anywhere within the unit, or on adjacent lands, without exception being granted by the Director.
- c. For any permitted wells to be drilled under this Application for production from the Niobrara, Codell, Fort Hayes and Carlile Formations, the productive intervals of the wells shall be not less than 150 feet from the productive interval of another well producing from the same formation, without exception being granted by the Director.
- d. For any permitted wells to be drilled under this Application for production from the Niobrara, Codell, Fort Hayes and Carlile Formations, the productive interval of any permitted well shall be located no closer than 300 feet from the unit boundary.
- D. Providing that relief granted under this Application be effective on oral order by the Commission, relying on the Applicant's desire to be bound by said oral order.
- E. For such other findings and orders as the Commission may deem proper or advisable in the premises.

DATED this ____ day of October, 2017.

Respectfully submitted,

CCRP OPERATING INC

By:

James Parrot

Jillian Fulcher

Evan Bekkedahl

Beatty & Wozniak, P.C.

Attorneys for Applicant

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Denver, Colorado 80202

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Address of Applicant
CCRP Operating Inc.
Larry Lillo, Vice President-Land
717 17th Street, Suite 1525
Denver, Colorado 80202

VERIFICATION

STATE OF COLORADO)		
CITY & COUNTY OF DENVER) ss.)		
Larry Lillo, Vice President-Land for CCRP Operating Inc., 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.			
	CCRP OPERATING INC.		
	Larry Lillo		
Subscribed and sworn to before me this <u>lo</u> day of <u>October</u> , 2017, by Larry Lillo, Vice President-Land for CCRP Operating Inc			
Witness my hand and official seal	•		
My commission expires:Septe	mber 18,2021		
262 M	JOSHUA ROJAS NOTARY PUBLIC STATE OF COLORADO NOTARY ID 20174039018 MY COMMISSION EXPIRES SEPTEMBER 18, 2021		

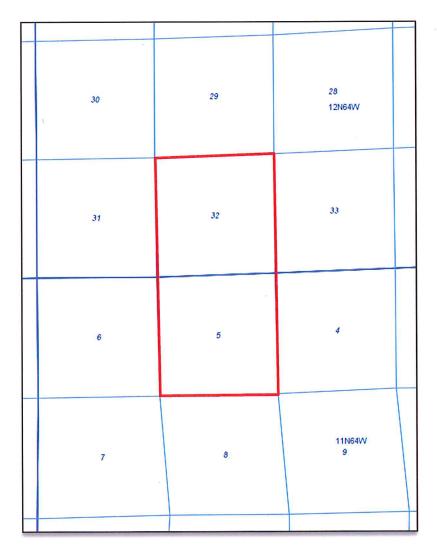
Exhibit A

Reference Map for Application

Township 12 North, Range 64 West, 6th P.M. Section 32: All

Township 11 North, Range 64 West, 6th P.M. Section 5: All

1280-acres, more or less, Weld County, Colorado.



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CAUSE NO. 535

DOCKET NO.

TYPE: SPACING

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 CCRP Operating Inc., and on or before the day of October, 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 10 day of October, 2017.

Witness my hand and official seal.

TERESA L. PETERSON NOTARY PUBLIC STATE OF COLORADO NOTARY ID 19894002026

MY COMMISSION EXPIRES OCTOBER 4, 2021

Notary Public

EXHIBIT A

INTERESTED PARTIES

Anadarko Land Corp., Attn: Travis Holland P.O. Box 173779 Denver, CO 80217

Longs Peak Resources, LLC 2323 S. Shepherd Dr. Suite 1150 Houston, TX 77019

Extraction Oil & Gas, LLC 370 17th Street Suite 5300 Denver, CO 80202

True Oil LLC P.O. Box 2360 Casper, WY 82602

Chalk Bluffs Foundation for Historic Preservation and Conservation 9 E. Glenbrooke Circle Richmond, VA 23229

Kent Kuster
Oil & Gas Consultant Coordinator
Colorado Department of
Public Health & Environment
4300 Cherry Creek Drive South
Denver, CO 80246-1530

Anadarko Oil & Gas 1, LLC P.O. Box 173779 Denver, CO 80217

Samson Exploration, LLC 110 West 7th Street Suite 2000 Tulsa, OK 74119

Mark Thomas Cox IV Revoc. Living Trust 9 Glenbrooke Circle East Henrico, VA 23339

Antelope Energy Company LLC 1801 Broadway Suite 1550 Denver, CO 80202

Brandon Marette, Energy Liaison Colorado Parks and Wildlife Northeast Region Office 6060 Broadway Denver, CO 80216

Troy Swain Weld County Department of Planning Services 1555 North 17th Avenue Greeley, CO 80631