

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

IN THE MATTER OF THE APPLICATION)	CAUSE NO.
OF THE PROMULGATION AND)	
ESTABLISHMENT OF FIELD RULES TO)	DOCKET NO.
GOVERN OPERATIONS FOR THE)	
NIOBRARA FORMATION, WATTENBERG)	TYPE: POOLING
FIELD, WELD COUNTY, COLORADO)	

APPLICATION

PDC Energy, Inc. (Operator No. 69175) ("PDC"), by and through its attorneys, Burns, Figa, & Will, P.C., respectfully submits this Application to the Oil and Gas Conservation Commission of the State of Colorado (the "Commission") for an order pooling all interests within an approximate 400-acre Wellbore Spacing Unit, as further defined below, for the drilling of the Geib 26U-234 well (API No. 05-123-44855) ("Well"), for the development of the Niobrara formation on the following described lands:

Township 5 North, Range 65 West, 6th P.M.

Section 25: NW $\frac{1}{4}$ NW $\frac{1}{4}$

Section 26: N $\frac{1}{2}$ N $\frac{1}{2}$

Section 27: N $\frac{1}{2}$ N $\frac{1}{2}$

Section 28: NE $\frac{1}{4}$ NE $\frac{1}{4}$

Weld County, Colorado, containing approximately 400.00 acres
("Application Lands")

In support of its Application, PDC states and alleges as follows:

1. PDC is a corporation duly authorized to do business in Colorado and is registered as an operator in good standing with the Commission.
2. PDC is an Owner with the right to drill into and produce from the Application Lands.
3. PDC has filed Form 4/Sundry Notices to change the name of the Geib 26U-134 well to the Geib 26U-234 well, and to modify the spacing unit listed in the approved Form 2/Application for Permit to Drill to reflect the Application Lands.
4. Rule 318A, as amended on August 8, 2011 addresses the drilling of horizontal wells under Rule 318A.a.(4)D. Rule 318A was originally established on April 27, 1998 to allow for certain drilling locations to drill or twin an existing well, deepen a well, or recomplete a well. Rule 318A also provided for the commingling of any or all of the Cretaceous Age formations from the Dakota formation to the surface. Rule 318A was first amended on December 5, 2005 to allow for interior infill and boundary wells and spacing units.

5. On February 19, 1992, the Commission entered Order No. 407-87 (amended August 20, 1993) 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 Codell formation, and the Niobrara formation underlying certain lands, including the Application Lands, with the permitted well locations in accordance with the provisions of Order 407-1.

6. On May 18, 2010, the Commission entered Order No. 407-358, which, among other things, pooled all non-consenting interests in a 160-acre wellbore spacing unit for the S $\frac{1}{2}$ SE $\frac{1}{4}$ of Section 21 and N $\frac{1}{2}$ NE $\frac{1}{4}$ of Section 28, Township 5 North, Range 65 West, 6th P.M., for the Magnuson F #28-27D well (API No. 05-123-29895), from the Codell and Niobrara formations. Order No. 407-358 is not affected by this Application, and proceeds from any shared lands will be accounted for in the production of the Well.

7. On June 30, 2011, the Commission entered Order No. 232-278, which, among other things, pooled all non-consenting interests in a 160-acre wellbore spacing unit for the W $\frac{1}{2}$ NW $\frac{1}{4}$ of Section 25 and E $\frac{1}{2}$ NE $\frac{1}{4}$ of Section 26, Township 5 North, Range 65 West, 6th P.M., for the Geib #41-26 well (API No. 05-123-32111), from the Niobrara, Codell, and "J" Sand formations. Order No. 232-278 is not affected by this Application, and proceeds from any shared lands will be accounted for in the production of the Well.

8. Also on June 30, 2011, the Commission entered Order No. 232-284, which, among other things, pooled all non-consenting interests in a 160-acre wellbore spacing unit for the SE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 23, SW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 24, NW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 25, and NE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 26, Township 5 North, Range 65 West, 6th P.M., for the Geib #26-26 well (API No. 05-123-32114), from the Niobrara, Codell, and "J" Sand formations. Order No. 232-284 is not affected by this Application, and proceeds from any shared lands will be accounted for in the production of the Well.

9. On April 11, 2014, the Commission entered Order No. 407-985, which, among other things, pooled all non-consenting interests in a 400-acre wellbore spacing unit for the SW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 19 and NW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 30, Township 4 North, Range 64 West, 6th P.M., and the S $\frac{1}{2}$ S $\frac{1}{2}$ of Section 24 and N $\frac{1}{2}$ N $\frac{1}{2}$ of Section 25, Township 5 North, Range 65 West, 6th P.M., for the LaSalle 25E-202 well (API No. 05-123-37408), from the Niobrara formation. Order No. 407-985 is not affected by this Application, and proceeds from any shared lands will be accounted for in the production of the Well.

10. Also on April 11, 2014, the Commission entered Order No. 407-986, which, among other things, pooled all non-consenting interests in a 320-acre wellbore spacing unit for the N $\frac{1}{2}$ of Section 25, Township 5 North, Range 65 West, 6th P.M., for the LaSalle 25F-332 well (API No. 05-123-37340), from the Niobrara formation. Order No. 407-986 is not affected by this Application, and proceeds from any shared lands will be accounted for in the production of the Well.

11. On November 7, 2016, the Commission entered Order No. 407-1818, which, among other things, established a 640-acre drilling and spacing unit for the N $\frac{1}{2}$ of

Section 26 and N $\frac{1}{2}$ of Section 27, Township 5 North, Range 65 West, 6th P.M., for the Niobrara and Codell formations, and approved up to nine wells. The Commission vacated Order No. 407-1818 on June 21, 2017 in Order No. 407-2089.

12. PDC designated this 400-acre Wellbore Spacing Unit for the production of oil, gas, and associated hydrocarbons from the Niobrara formation as provided by Rule 318A and notified the appropriate parties under Rule 318A.

13. Under the provisions of Rule 530 and C.R.S. § 34-60-116(6)–(7), PDC requests an order pooling all interests, including non-consenting interests and the ability to drill through all tracts, in the Application Lands for the development of the Niobrara formation underlying the following approximate 400-acre Wellbore Spacing Unit:

Township 5 North, Range 65 West, 6th P.M.

Section 25: NW $\frac{1}{4}$ NW $\frac{1}{4}$

Section 26: N $\frac{1}{2}$ N $\frac{1}{2}$

Section 27: N $\frac{1}{2}$ N $\frac{1}{2}$

Section 28: NE $\frac{1}{4}$ NE $\frac{1}{4}$

Weld County, Colorado ("Wellbore Spacing Unit" in this Application)

14. PDC requests that the Commission's pooling order be made effective as of the earlier date of this Application, or the date that the costs specified in C.R.S. § 34-60-116(7)(b)(II) are first incurred for the drilling of the Geib 26U-234 well to the Niobrara formation on the Application Lands.

15. PDC certifies that copies of this Application will be served on all owners of the mineral estate, as indicated and required by Rule 507.b(2), underlying the tracts of the Application Lands to be pooled within seven (7) days of the date hereof, and that at least thirty-five (35) days prior to the hearing on this matter, each such interest owner not already leased or voluntarily pooled will be offered the opportunity to lease, or to participate in the drilling of the Well, and will be provided with the information required by Rule 530. The list of such Interested Parties, with all known parties to be pooled, is attached as Exhibit A.

16. In order to prevent waste and to protect correlative rights, all interests and tracts in the Wellbore Spacing Unit should be pooled for the orderly drilling and development of the Niobrara formation.

WHEREFORE, PDC respectfully requests that this matter be set for hearing at the next available opportunity, that notice be given as required by law, and that the Commission enter an Order:

- A. Pooling all interests in the Application Lands and the Wellbore Spacing Unit for the development of the Niobrara formation;

- B. Providing that the Commission's pooling order is made effective as of the earlier date of the Application, or the date that the costs specified in C.R.S. § 34-60-116(7)(b)(II) are first incurred for the drilling of the Geib 26U-234 well in the Wellbore Spacing Unit to the Niobrara formation on the Application Lands;
- C. Providing that the interests of any owners with whom PDC has been unable to secure a lease, other agreement to participate in the drilling of the authorized well(s), or those who consented to be pooled are pooled by operation of statute, pursuant to C.R.S. § 34-60-116(7), and made subject to the cost recovery provisions thereof with respect to the Geib 26U-234 well drilled to develop the Niobrara formation in the Wellbore Spacing Unit comprised of the Application Lands; and
- D. Providing for such other findings and order as the Commission may deem proper or advisable in this matter.

[SIGNATURE PAGE FOLLOWS]

DATED this 12th day of October, 2017.

Respectfully submitted,

PDC Energy, Inc.

By: 

Michael T. Jewell, Esq. #40902

Courtney M. Shephard, Esq. #47668

Burns, Figa & Will, P.C.

6400 S. Fiddler's Green Circle – Suite 1000

Greenwood Village, CO 80111

PDC Energy, Inc.

Mr. J. Tyler Sims, MBA, CPL

1775 Sherman Street - Suite 3000

Denver, CO 80203

VERIFICATION

STATE OF COLORADO)
) ss.
COUNTY OF DENVER)

The undersigned, of lawful age, having been first sworn upon his oath, deposes and states that:

1. He is a Senior Regional Landman – PDC Energy, Inc., which address is 1775 Sherman Street, Suite 3000, Denver, CO 80203.

2. He has read the attached application for the Geib 26U-234 well, is familiar with the facts set forth therein, and states that said facts are true and correct to the best of his knowledge and belief.

Further Affiant sayeth not.



J. Tyler Sims, MBA, CPL

Subscribed and sworn to before me this 11th day of October, 2017.

Witness my hand and official seal.

My commission expires: Nov. 20, 2020





EXHIBIT A

Interested Parties

Geib 26U-234 Well

“*” denotes the interested parties that may be subject to the statutory cost recovery provisions of C.R.S. § 24-60-116.

PDC Energy, Inc.

Synergy Resources Corporation *

Incline Niobrara Partners, L.P. *

Pulsar Oil and Gas, Inc. *

Miresco, Inc. *

Robert D. Bowers and Thelma E. Bowers, as joint tenants *

EXHIBIT B

Plat

Geib 26U-234 Well

[ATTACHED]

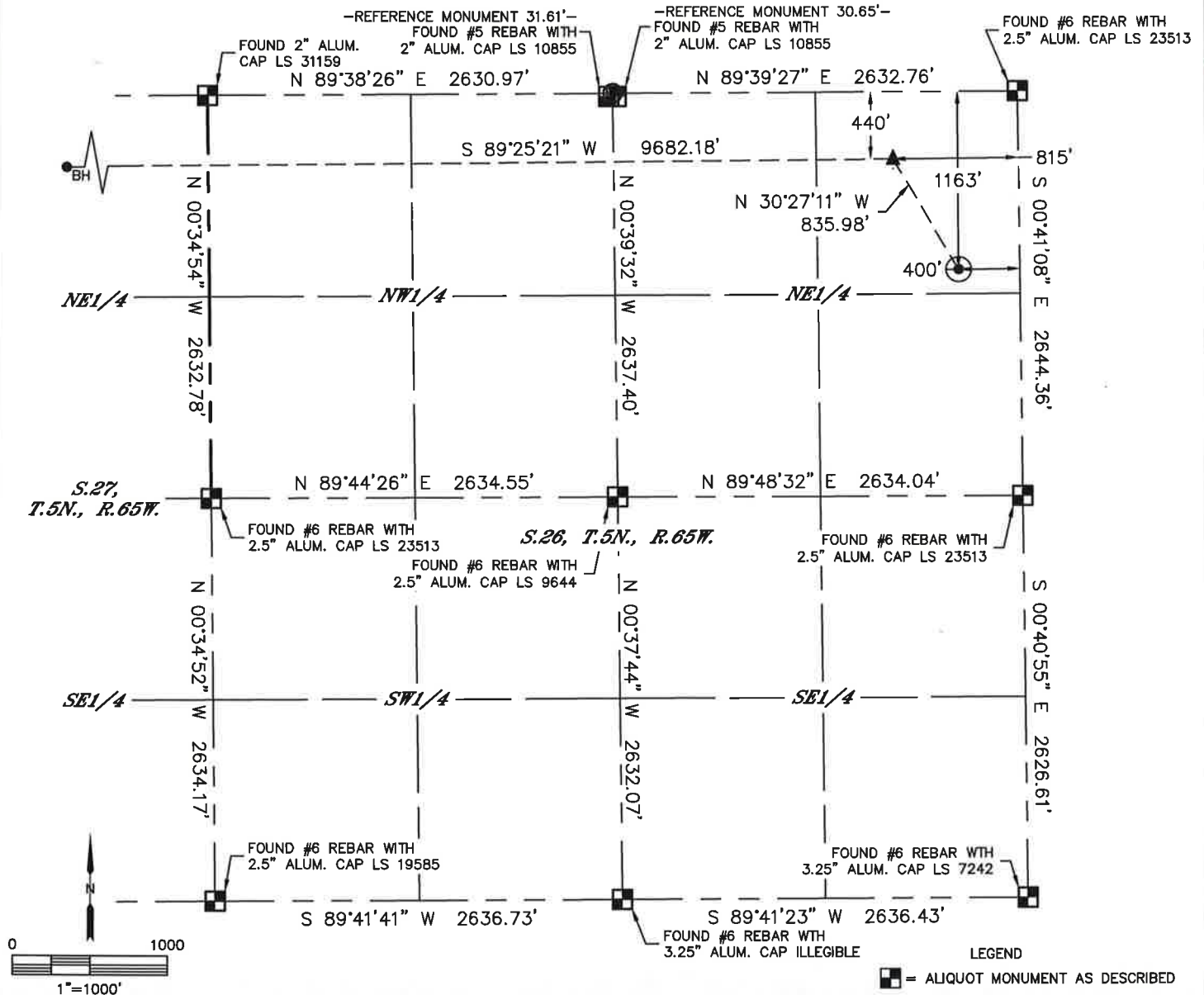


Lat40°, Inc. 6250 W. 10th Street, Unit 2, Greeley, CO 970-515-5294

WELL LOCATION CERTIFICATE

GEIB 26U-134

SECTION: 26
TOWNSHIP: 5N
RANGE: 65W
6TH. P.M.
WELD COUNTY, CO



CLIENT: PDC ENERGY INC.				LANDMAN: JEFF HINDMARSH			
INSTRUMENT OPERATOR: BRIAN ROTTINGHAUS				SURVEY DATE: 9/20/2016		SURFACE USE: PASTURE	
SHL FOOTAGE	SHL LAT°	SHL LONG°	SHL PDOP	SHL ELEV (FT.)	SHL 1/4/1/4	SHL S-T-R	
1163	FNL	400	FEL	40.37426	-104.62245	2.5	4641

BHL FOOTAGE	BHL LAT°	BHL LONG°	BHL S-T-R	EP LAT°	EP LONG°	EP S-T-R
471	FNL	50	FWL	40.37624	-104.65868	27-5-65

NEAREST CULTURAL ITEMS	
BUILDING	±874' NE
BUILDING UNIT	±953' S
HIGH OCCUPANCY BUILDING UNIT	5280'+
DESIGNATED OUTSIDE ACTIVITY AREA	5280'+
PUBLIC ROAD (COUNTY ROAD 47)	±387' E
ABOVE GROUND UTILITY	±784' NE
RAILROAD	±763' SE
PROPERTY LINE	±400' E

NOTE:
1) Bearings shown are Grid Bearings of the Colorado State Plane Coordinate System, North Zone, North American Datum 1983. The lineal dimensions as contained herein are based upon the "U.S. Survey Foot."
2) Distances to section lines measured at 90 degrees from said section lines.
3) Ground elevations are based on an observed GPS elevation (NAVD 1988 DATUM).
4) Latitude and Longitude shown are (NAD 83 DATUM).
5) IMPROVEMENTS: See LOCATION DRAWING for all visible improvements within 500' of oil and gas location.
6) This map does not represent a boundary survey.

- LEGEND
- = ALIQUOT MONUMENT AS DESCRIBED
 - = CALCULATED POSITION
 - = SURFACE HOLE LOCATION (SHL)
 - ▲ = ENTRY POINT LOCATION (EP)
 - BH = BOTTOM HOLE LOCATION (BHL)
 - ⊙ = EXISTING WELL
 - ⊙ = ABANDONED WELL



SHEET 1 OF 2

Brian T. Brinkman-On behalf of Lat40°, Inc.
Colorado Licensed Professional Land Surveyor No. 38175
DATE: 11/4/2016
PROJECT#: 2016083

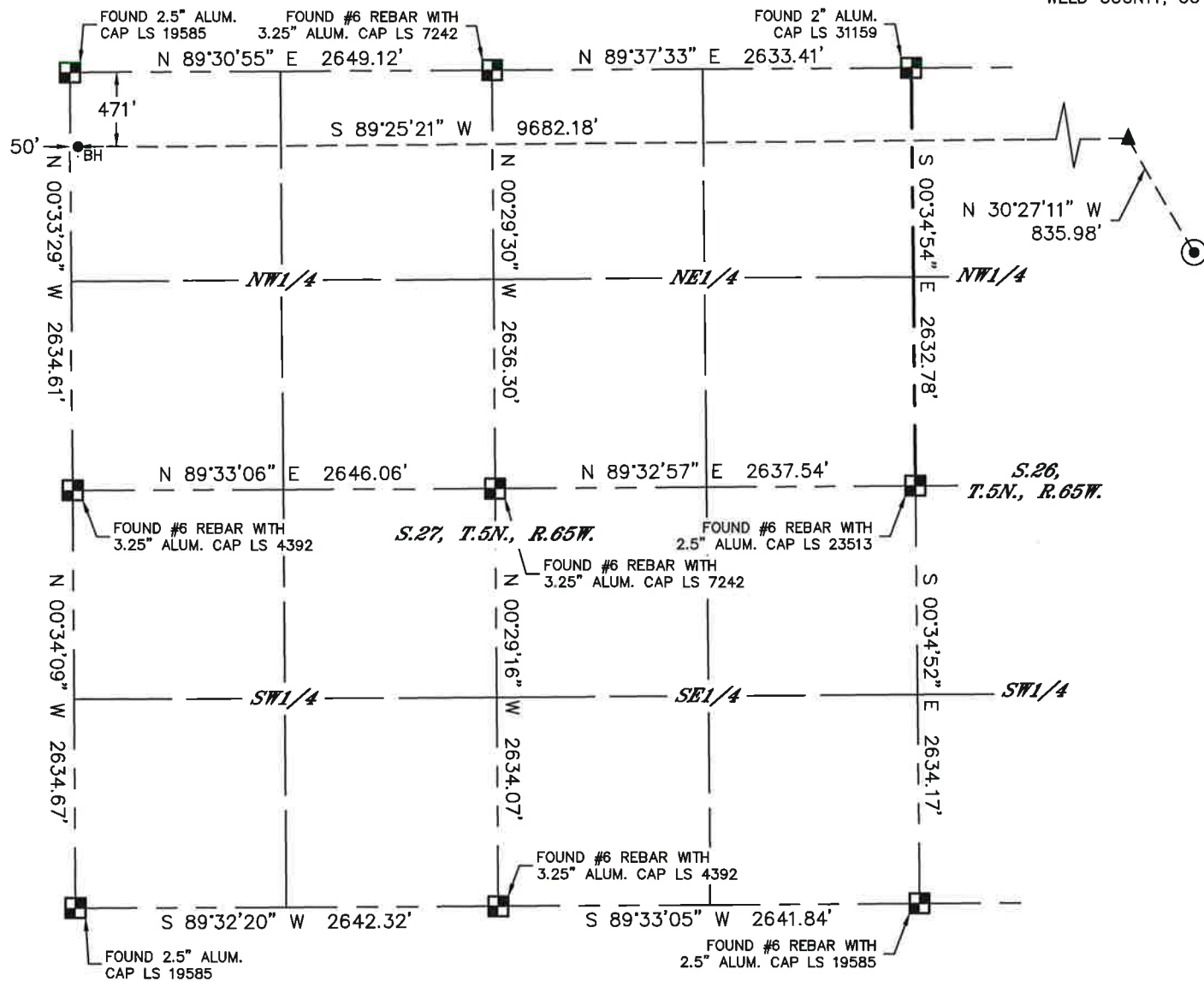


Lat40°, Inc. 6250 W. 10th Street, Unit 2, Greeley, CO 970-515-5294

WELL LOCATION CERTIFICATE

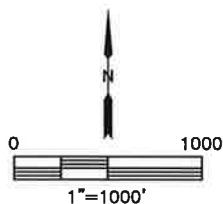
GEIB 26U-134

SECTION: 26
TOWNSHIP: 5N
RANGE: 65W
6TH. P.M.
WELD COUNTY, CO



LEGEND

- = ALIQUOT MONUMENT AS DESCRIBED
- = CALCULATED POSITION
- ⊙ = SURFACE HOLE LOCATION (SHL)
- ▲ = ENTRY POINT LOCATION (EP)
- _{BH} = BOTTOM HOLE LOCATION (BHL)
- ⊗ = EXISTING WELL
- ⊖ = ABANDONED WELL



SHEET 2 OF 2

Brian T. Brinkman—On behalf of Lat40°, Inc.
Colorado Licensed Professional Land Surveyor No. 38175
DATE: 11/4/2016
PROJECT#: 2016083

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

IN THE MATTER OF THE APPLICATION OF) CAUSE NO.
THE PROMULGATION AND ESTABLISHMENT)
OF FIELD RULES TO GOVERN OPERATIONS) DOCKET NO. 171200827
FOR THE NIOBRARA FORMATION,)
WATTENBERG FIELD, WELD COUNTY,) TYPE: POOLING
COLORADO)

CERTIFICATE OF SERVICE

Courtney M. Shephard, of lawful age, and being first duly sworn upon her oath, states and declares:

That she is the attorney for PDC Energy, Inc., and that on October 16, 2017, she caused a copy of the Application submitted to COGCC on October 12, 2017, to be deposited in the United States Mail, postage prepaid, addressed to the parties listed on Exhibit A to the Application.

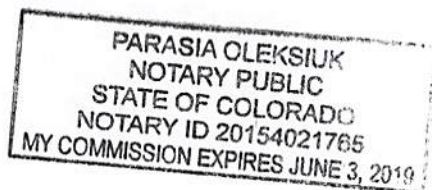
By: Courtney M. Shephard
Courtney M. Shephard, Esq.
License #47668

Burns, Figa & Will, P.C.
6400 S. Fiddler's Green Circle – Suite 1000
Greenwood Village, CO 80111

STATE OF COLORADO)
) SS.
COUNTY OF ARAPAHOE)

Subscribed and sworn to before me this 16th day of October, 2017.

My commission expires: June 3, 2019



Parasia Oleksiuk