

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

IN THE MATTER OF AN APPLICATION BY  
HIGHLANDS NATURAL RESOURCES CORPORATION  
FOR AN ORDER AUTHORIZING AN ADDITIONAL  
FOUR (4) HORIZONTAL WELLS, FOR A TOTAL OF  
EIGHT (8) HORIZONTAL WELLS FOR PRODUCTION  
FROM THE NIOBRARA FORMATION, FOR SECTIONS  
15 AND 16, TOWNSHIP 5 SOUTH, RANGE 64 WEST,  
6TH P.M., UNNAMED FIELD, ARAPAHOE COUNTY,  
COLORADO

CAUSE NO. 535

DOCKET NO. 171200856

TYPE: ADDITIONAL  
WELLS

**APPLICATION**

Highlands Natural Resources Corporation, Operator No. 10625 ("Highlands" 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 (the "Commission") for an order to authorize an additional four (4) horizontal wells, for a total of eight (8) horizontal wells, in an exploratory drilling and spacing unit established for the Application Lands (as defined below) by Order No. 535-844, for production from the Niobrara Formation, for Sections 15 and 16, Township 5 South, Range 64 West, 6th P.M. In support of its Application, Applicant states and alleges as follows:

1. 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 South, Range 64 West, 6th P.M.

Section 15: All

Section 16: All

1,280-acres, more or less, Arapahoe 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 Exhibit A.

3. On January 30, 2017, the Commission entered Order No. 535-757, which established an approximate 1,280-acre drilling and spacing unit for the Application Lands, and approved up to four horizontal wells within the unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation, with the treated intervals of the wells to be no closer than 600 feet from the eastern boundary of the unit, no closer than 300 feet from the northern and southern boundaries of the unit, no closer than 100 feet from the western boundary of the unit, and no closer than 150 feet from

the treated interval of another well producing from the same formation, unless an exception is granted by the Director.

4. Pursuant to §34-60-116(4), C.R.S., Applicant hereby requests that an additional four (4) horizontal wells, for a total of eight (8) horizontal wells, be authorized within the Application Lands for production from the Niobrara Formation, in order to economically and efficiently recover additional resources, while minimizing surface impacts, creating efficiencies for drilling and production, increasing the ultimate recovery of the reserves, preventing waste, and protecting correlative rights.

5. The authorized wellbores are to be oriented in a general east/west direction and the setbacks shall remain unchanged.

6. Applicant states that any horizontal wells to be drilled under this Application 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, without exception being granted by the Director.

7. 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.

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. The undersigned certifies that copies of this Application will be served on each interested party as required by Rule 507.

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:

A. Authorizing an additional four (4) horizontal wells, for a total of eight (8) horizontal wells within the Application Lands for production from the Niobrara Formation, with the authorized wellbores to be oriented in a general east/west direction and the setbacks to be the same as set forth in Order No. 535-757.

B. 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.

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

DATED this 12 day of October, 2017.

Respectfully submitted,

**Highlands Natural Resources Corporation**

By: 

James Parrot  
Jillian Fulcher  
Beatty & Wozniak, P.C.  
Attorneys for Applicant  
216 16th Street, Suite 1100  
Denver, Colorado 80202  
(303) 407-4499  
jparrot@bwenergylaw.com  
jfulcher@bwenergylaw.com

Applicant's Address:  
Highlands Natural Resources Corporation  
Attn: Eric Anderson  
2401 East 2nd Avenue, Suite 150  
Denver, CO 80206

VERIFICATION

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

Eric Anderson, Vice President of Land for Highlands Natural Resources Corporation, 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.

HIGHLANDS NATURAL RESOURCES, CORPORATION


  
\_\_\_\_\_  
Eric Anderson

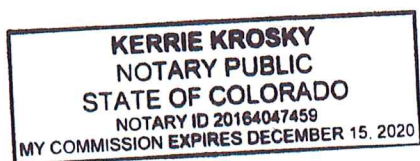
Subscribed and sworn to before me this 12 day of October, 2017, by Eric Anderson, Vice President of Land for Highlands Natural Resources Corporation.

Witness my hand and official seal.

My commission expires:

December 15, 2020

  
\_\_\_\_\_  
Notary Public



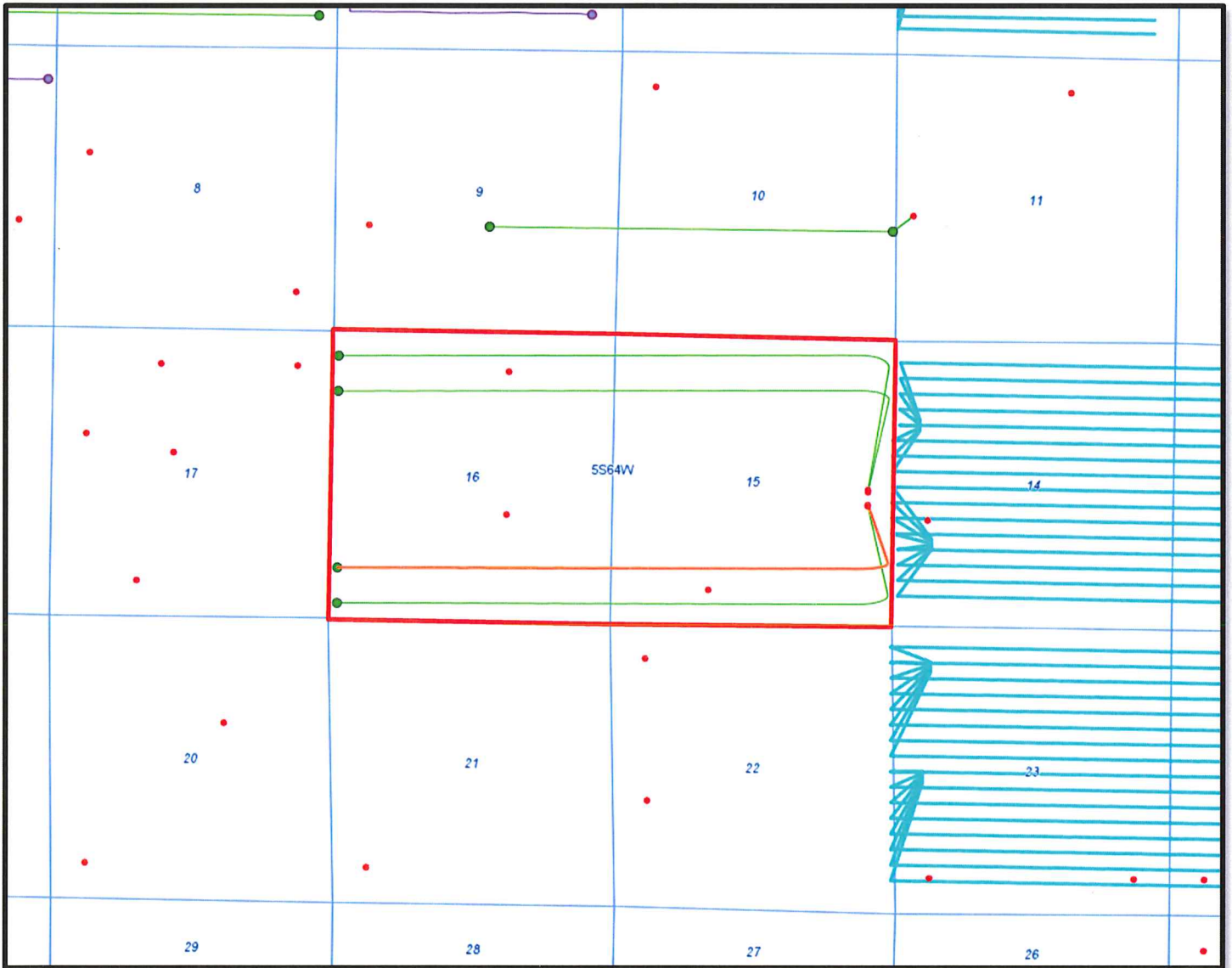
## EXHIBIT A

### Reference Map for Increased Density Application

Township 5 South, Range 64 West, 6th P.M.

Section 15: All

Section 16: All



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TYPE: DENSITY

**AFFIDAVIT OF MAILING**

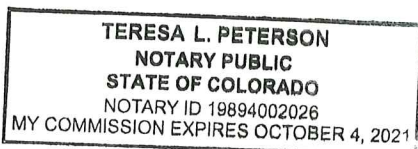
Grace Go-Hoveland, of lawful age, and being first duly sworn upon her oath,  
states and declares:

That she is a Legal Assistant at Beatty & Wozniak, P.C., attorneys for Highlands  
Natural Resources Corporation, and on or before the 19<sup>th</sup> 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 12<sup>th</sup> day of October, 2017.

Witness my hand and official seal.



  
\_\_\_\_\_  
Notary Public

## EXHIBIT A

### INTERESTED PARTIES

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

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

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

Highlands Natural Resources Corporation  
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Denver, CO 80206

ConocoPhillips  
600 North Dairy Ashford (77079-1175)  
P.O. Box 2197  
Houston, TX 77252-2197