COCCC
NOA 58 5013

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

IN THE MATTER OF THE APPLICATION Cause No. 535 OF RENEGADE OIL & GAS COMPANY. LLC FOR AN ORDER VACATING ORDER Docket No. 180100040 NOS. 535-844, 535-845, 535-846, AND 535-847. AND **ESTABLISHING** TYPE: SPACING **APPROXIMATE** 1,280-ACRE DRILLING **SPACING** AND UNIT AND WELL LOCATION RULES APPLICABLE TO THE DRILLING AND PRODUCING OF WELLS FROM THE NIOBRARA FORMATION COVERING SECTIONS 32 AND TOWNSHIP 5 SOUTH, RANGE 64 WEST, 6TH P.M., UNNAMED FIELD, ARAPAHOE COUNTY, COLORADO.

#### **APPLICATION**

Renegade Oil & Gas Company, LLC ("Renegade" or "Applicant"), Operator No. 74165, by and through its attorneys, Welborn Sullivan Meck & Tooley, P.C., respectfully submits this Application to the Oil and Gas Conservation Commission of the State of Colorado ("Commission") for an order vacating Order Nos. 535-844, 535-845, 535-846, and 535-847, and establishing an approximate 1,280-acre drilling and spacing unit and well location rules applicable to the drilling of wells and producing of oil, gas and associated hydrocarbons from the Niobrara Formation covering Sections 32 and 33, Township 5 South, Range 64 West, 6th P.M., Arapahoe County, Colorado. In support of its Application, Applicant states as follows:

- 1. Applicant is a limited liability company duly authorized to conduct business in the State of Colorado and is a registered operator in good standing with the Commission.
- 2. Applicant owns 100% of the leasehold interests covering all of the following lands ("Application Lands") and is therefore an owner as defined by Commission Rules and the Conservation Act with standing to bring this Application:

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

Section 32: All Section 33: All

A reference map of the Application Lands is attached hereto.

3. Rule 318.a. provides that a well drilled in excess of 2,500 feet in depth shall be located not less than 600 feet from any lease line, and shall be located not less {00597628.1}

than 1,200 feet from any other producible or drilling oil or gas well when drilling to the same source of supply, unless authorized by order of the Commission upon hearing. The Application Lands are subject to this Rule for the Niobrara Formation.

- 4. Effective September 11, 2017, the Commission entered Order No. 535-844, which established an approximate 1,280-acre exploratory drilling and spacing unit for Sections 31 and 32, Township 5 South, Range 64 West, 6th P.M.
- 5. Effective September 11, 2017, the Commission entered Order No. 535-845, which established an approximate 1,280-acre exploratory drilling and spacing unit for Sections 33 and 34, Township 5 South, Range 64 West, 6th P.M.
- 6. Effective September 11, 2017, the Commission entered Order No. 535-846, which allowed an additional 3 wells within an approximate 1,280-acre exploratory drilling and spacing unit for Sections 31 and 32, Township 5 South, Range 64 West, 6th P.M.
- 7. Effective September 11, 2017, the Commission entered Order No. 535-847, which allowed an additional 3 wells within an approximate 1,280-acre exploratory drilling and spacing unit for Sections 33 and 34, Township 5 South, Range 64 West, 6th P.M.
  - 8. No horizontal wells have been drilled within the Application Lands.
- 9. The State of Colorado #1-33 (API No. 05-005-06463) is an existing vertical well within the Application Lands that has produced oil, gas, and associated hydrocarbons from the Niobrara Formation. The State of Colorado #1-33 is currently temporarily abandoned. Applicant is the operator of the vertical well, which was drilled on a leasehold basis. Applicant states that this well shall continue to be operated and production therefrom be allocated pursuant to the existing governing rules and oil and gas lease for such well
- 10. To promote efficient drainage within the Niobrara Formation of the Application Lands, to protect correlative rights and to avoid waste, the Commission should vacate Order No. 535-844, 535-845, 535-846, and 535-847, establish an approximate 1,280-acre drilling and spacing unit for the Application Lands and approve a total of up to sixteen (16) horizontal wells within the unit for the development and production of oil, gas and associated hydrocarbons from the Niobrara Formation.
- 11. Applicant requests that the productive interval of the permitted horizontal wells within the unit be located no closer than 150 from the productive interval of any other horizontal wellbore within the unit producing oil, gas, and associated hydrocarbons from the Niobrara Formation and be located no closer than 300 feet from the unit boundaries, without exception being granted by the Director.
- 12. Applicant states that the proposed wells will be drilled in an east-west orientation.

- 13. The above-proposed drilling and spacing unit and proposed number of wells will allow for efficient drainage of the Niobrara Formation, will prevent waste, will not adversely affect correlative rights and will assure the greatest ultimate recovery of oil, gas and associated hydrocarbon substances from the Niobrara Formation. The proposed drilling and spacing unit is not smaller than the maximum area that can be economically and efficiently drained by the proposed wells in such drilling and spacing unit. Applicant further maintains that wells drilled in the above-proposed drilling and spacing unit will have no adverse effect on correlative rights of adjacent owners.
- 14. The Applicant states the proposed horizontal wells shall be drilled from no more than two locations within the unit or at a legal location(s) on adjacent lands, without exception being granted by the Director.
- 15. The names and addresses of the interested parties according to the information and belief of the Applicant are set forth in <u>Exhibit A</u> attached hereto and made a part hereof, and the undersigned certifies that copies of this Application shall be served on each interested party within the next seven days as required by Rule 503.e, 507.b(1), and 507b.(4).

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 consistent with Applicant's proposals as set forth above.

Dated this 22 day of November, 2017.

Respectfully submitted,

WELBORN SULLIVAN MECK & TOOLEY, P.C.

By:\_\_\_\_

Joseph-C. Pierzchala

Geoffrey W. Storm

Welborn Sullivan Meck & Tooley, P.C.

Attorney for Applicant

1125 - 17th Street, Suite 2200

Denver, CO 80202 303-830-2500

Applicant's Address: 6155 South Main Street, Suite 210

Aurora, CO 80016 303-680-4725

### VERIFICATION

STATE OF COLORADO	)
	) ss.
COUNTY OF ARAPAHOE	)

Edward Ingve, Owner and Manager of Renegade Oil & Gas Company, 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.

RENEGADE OIL & GAS COMPANY, LLC

Edward Ingve, Owner and Manager

Subscribed and sworn to before me this  $17^{\frac{14}{12}}$  day of November, 2017 by Edward Ingve, Owner and Manager of Renegade Oil & Gas Company, LLC.

Witness my hand and official seal.

JAMES B CONDILL Jr. NOTARY PUBLIC STATE OF COLORADO NOTARY ID 19964007110 MY COMMISSION EXPIRES APRIL 28, 2020

Notary Public

My Commission Expires: ५.28 2016

#### **EXHIBIT A**

#### **INTERESTED PARTIES**

#### **Arapahoe County**

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

## Colorado Department of Public Health and Environment

Kent Kuster 4300 Cherry Creek Drive South Denver, CO 80246-1500

#### Colorado Parks and Wildlife

Brandon Marette Northeast Region Office 6060 Broadway Denver, CO 80216

Colorado State Land Board Katie Stitt – Oil & Gas Specialist 1127 Sherman Street, Suite 300 Denver, CO 80203

Renegade Oil & Gas Company, LLC 6155 South Main Street, Suite 210 Aurora, CO 80016

ConocoPhillips Company 600 North Dairy Ashford Road Houston, TX 77079

Highlands Natural Resources Corporation 2401 East 2<sup>nd</sup> Avenue, Suite 150 Denver, CO 80206

Anadarko Petroleum Corporation 1099 18<sup>th</sup> Street, Suite 1800 Denver, CO 80202

Bison Oil & Gas, LLC 518 17<sup>th</sup> Street, Suite 1800 Denver, CO 80202

Shriners Hospitals for Children PO Box 31356 Tampa, FL 33631-3356

S and D, LLC 47755 Private Road 23 Elizabeth, CO 80107

HIS Provision, LLC 5024 County Road 194 Elizabeth, CO 80107

Exhibit B - Application Lands

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

IN THE MATTER OF THE APPLICATION OF	)	Cause No. 535
RENEGADE OIL & GAS COMPANY, LLC	)	
FOR AN ORDER VACATING ORDER NOS.	Ś	Docket No. 180100040
535-844, 535-845, 535-846, AND 535-847,	j j	
AND ESTABLISHING AN APPROXIMATE	)	Type: SPACING
1,280-ACRE DRILLING AND SPACING UNIT	j)	••
AND WELL LOCATION RULES	)	
APPLICABLE TO THE DRILLING AND	j )	
PRODUCING OF WELLS FROM THE	)	
NIOBRARA FORMATION COVERING	)	
SECTIONS 32 AND 33 TOWNSHIP 5	)	
SOUTH, RANGE 64 WEST, 6TH P.M.,	)	
UNNAMED FIELD, ARAPAHOE COUNTY,	j j	
COLORADO.	)	
	•	

#### **AFFIDAVIT OF MAILING**

STATE OF COLORADO 8000 CITY AND COUNTY OF DENVER

I, Geoffrey W. Storm, of lawful age, and being first duly sworn upon my oath, state and declare:

That I am the attorney for Renegade Oil & Gas Company, LLC and that on or before December 4, 2017, I 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 to the Application.

Subscribed and sworn to before me December 4, 2017

Witness my hand and official seal.

MELISSA A. MORMAN **NOTARY PUBLIC** STATE OF COLORADO NOTARY ID 19894012434 MY COMMISSION EXPIRES AUGUST 29, 2021 D. Mormen ..... 8/24/2021

My commission expires: