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

IN THE MATTER OF THE APPLICATION	)	Cause No. 407
OF EXTRACTION OIL & GAS, INC. FOR	) -	
AN ORDER POOLING ALL INTERESTS IN	)	Docket No. 180300252
THE CODELL AND NIOBRARA	)	
FORMATIONS IN AN ESTABLISHED	•	Type: POOLING
1,360-ACRE DRILLING AND SPACING	)	
UNIT COVERING CERTAIN LANDS IN	)	
TOWNSHIPS 1 NORTH AND 1 SOUTH,	)	
RANGE 68 WEST, 6TH P.M.,	)	
WATTENBERG FIELD, BROOMFIELD	)	
AND WELD COUNTIES, COLORADO.	)	

#### APPLICATION

Extraction Oil & Gas, Inc. ("Extraction" or "Applicant"), Operator No. 10459, by 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 pooling all interests in an established 1,360-acre drilling and spacing unit covering certain lands in Townships 1 North and 1 South, Range 68 West, 6th P.M., Broomfield and Weld Counties, Colorado for the development and production of oil, gas and associated hydrocarbons from the Codell and Niobrara Formations. In support thereof, the Applicant states:

- 1. Applicant is a Delaware corporation duly authorized to conduct business in the State of Colorado and is a registered operator in good standing with the Commission.
- 2. Applicant owns leasehold interests in the following lands ("Application Lands") and therefore has standing pursuant to Commission Rule 503.b.(2):

Township 1 North, Range 68 West, 6th P.M.

Section 33: E½
Section 34: W½

Township 1 South, Range 68 West, 6th P.M.

Section 3: W1/2

Section 4: E½, E½E½W½

Broomfield and Weld Counties, Colorado.

A reference map of the Application Lands is attached hereto.

- 3. On April 27, 1988, the Commission adopted Rule 318A, the Greater Wattenberg Area Special Well Location, Spacing and Unit Designation Rule, which was amended on August 8, 2011 to, among other things, address the drilling of horizontal wells and requires that a horizontal wellbore spacing unit must include any governmental quarter-quarter section that are located less than 460' from the completed interval of the wellbore lateral. Rule 318A supersedes all prior Commission drilling and spacing orders affecting well location and density requirements of the Greater Wattenberg Area. The Rule does not, however, prohibit the establishment of drilling and spacing units within the Greater Wattenberg Area.
- 4. On October 24, 2016, the Commission entered Order No. 407-1794 which established one approximate 1,280-acre drilling and spacing unit for Sections 28 and 33, Township 1 North, Range 68 West, 6th P.M., and approved up to a total of 20 horizontal wells within the unit, for the production of oil, gas and associated hydrocarbons from the Codell and Niobrara Formations.
- 5. On October 24, 2016, the Commission entered Order No. 407-1825 which established one approximate 320-acre drilling and spacing unit for the W½ of Section 3, Township 1 South, Range 68 West, 6th P.M., and approved up to a total of 10 horizontal wells within the unit, for the production of oil, gas and associated hydrocarbons from the Codell and Niobrara Formations.
- 6. On October 24, 2016, the Commission entered Order No. 407-1826 which established one approximate 640-acre drilling and spacing unit for Section 4, Township 1 South, Range 68 West, 6th P.M., and approved up to a total of 20 horizontal wells within the unit, for the production of oil, gas and associated hydrocarbons from the Codell and Niobrara Formations.
- 7. On October 31, 2017, the Commission entered Order No. 407-2208, which vacated Order Nos. 407-1794, 407-1825, and 407-1826 and established an approximate 1,360-acre drilling and spacing unit for the Application Lands and approved up to a total of 20 horizontal wells within the unit for the production of oil, gas, and associated hydrocarbons from the Codell and Niobrara Formations. The Application Lands are subject to this Order.
- 8. Applicant plans to drill and complete the following wells in the Application Lands in the First Quarter 2018 (the "Coyote Trails Wells"):

Well Name	API No.	Formation
Coyote Trails 34S-20-10N	05-123-45994	Niobrara
Coyote Trails 34S-20-11C	05-123-45991	Codell
Coyote Trails 34S-20-12N	05-123-45983	Niobrara
Coyote Trails 34S-20-13N	05-123-45993	Niobrara
Coyote Trails 34S-20-14C	05-123-45984	Codell
Coyote Trails 34S-20-15N	05-123-45987	Niobrara
Coyote Trails 34S-20-16N	05-123-45990	Niobrara

- 9. Pursuant to the relevant provisions of Section 34-60-116(6) & (7), C.R.S., and COGCC Rule 530, Applicant seeks an order pooling all interests in the Application Lands for the development and operation of the Codell and Niobrara Formations.
- 10. Applicant requests that the order entered as a result of this Application be made effective retroactive to the date of this Application or the date that the costs specified in Section 34-60-116(7), C.R.S., were first incurred for the drilling of the Coyote Trails Wells, whichever is earlier.
- 11. The granting of this Application would be in accord with the Oil and Gas Conservation Act, found at Section 34-60-101, *et seq.*, C.R.S., and Commission rules.
- 12. The names of the interested parties (persons who own an interest in the mineral estate of the tracts to be pooled, except owners of overriding royalty interest) are attached hereto and marked Exhibit A. Applicant certifies that copies of this Application will be served on all locatable interested parties within seven (7) days of the date hereof, as required by Commission Rule 507.b.(2), and that at least thirty-five (35) days prior to the date of the scheduled protest deadline for this Application, each such owner not already leased or voluntarily pooled will be offered the opportunity to lease, or to participate in the drilling of the Coyote Trails Wells, and will be provided with the information required by Rule 530.

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. Pooling all interests in the Application Lands for the development and operation of the Codell and Niobrara Formations;
- B. Providing that the pooling order is made effective as of the date of this Application, or the date that the costs specified in Section 34-60-116(7)(b)(II), C.R.S., are first incurred for the drilling of the Coyote Trails Wells, whichever is earlier;
- C. Providing that the interests of any owners, with whom the Applicant has been unable to secure a lease or other agreement to participate in the drilling of the authorized wells, are pooled by operation of statute, pursuant to Section 34-60-116(7), C.R.S., and made subject to the cost recovery provisions thereof;
- D. For such other findings and orders as the Commission may deem proper or advisable in the premises.

## Dated this 18th day of January, 2018

Respectfully submitted,

WELBORN SULLIVAN MECK & TOOLEY, P.C.

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

jpierzchala@wsmtlaw.com gstorm@wsmtlaw.com

### Applicant's Address:

370 17<sup>th</sup> Street, Suite 5400 Denver, CO 80202

Attn: Jason Rayburn, Staff Landman

Phone: 720-974-7798

### <u>VERIFICATION</u>

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

Jason Rayburn, Staff Landman with Extraction Oil & Gas, 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.

EXTRACTION OIL & GAS, INC.

Jason Rayburn, Staff Landman

Subscribed and sworn to before me this May of January, 2018 by Jason Rayburn, Staff Landman for Extraction Oil & Gas, Inc.

Witness my hand and official seal.

JESSE NICOLE SCHMIDT
Notary Public
State of Colorado
Notary ID # 20144002537
My Commission Expires 01-21-2022

Notary Public

My Commission Expires: 1/2

#### Exhibit A

Adams 84

Adams County, Colorado

Alexandra L. Janowiecki

Alice E. Frederick and Gloria J. Martin, as Co-Trustees of the Floyd L. Frederick Residuary

Trust u/a dated January 6, 2008

Anadarko E&P Onshore, LLC

Anadarko Land Corporation

Andrea M. Johnson, Glenna D. Criggar, John E. Johnson, Herman T. Johnson, and Stacy N.

Johnson

Anthony E. Struble and Charlotte M. Struble

Arthur Maroney, Jr.

Beverly J. Collins

Bradley S. Howe

Brett E. Wilcox, individually and as Trustee of the Betty C. Gilkinson Testamentary Trust f/b/o

Glenn Gilkinson

Brett E. Wilcox, Trustee of the Betty C. Gilkinson Testamentary Trust F/B/O Glenn Gilkinson

BWAB Oil and Gas LLC

BWAB-Sovereign Energy Group LLC

CCOB Oil Investments, LLC

Chandler Energy, LLC

Cliffwood Oil and Gas Corp.

Crestone Peak Resources Holdings LLC

Dan Bennett Corporation

Daniel Ray Timmons and Gloria Timmons

Deanna J. Goss

Department of Highways, Division of Highways, State of Colorado

Dirk Marlatt

Donald L. Webber Revocable Trust

Eddie C. Johnson and Fred E. Abernathy, as joint tenants

Extraction Oil & Gas, Inc.

Farmers Reservoir and Irrigation Company

Forest Yelverton

Fred E. Simpson III

Grant Gilkinson

GTT, Inc.

Guy C. Pinckley

Herbert E. Riehl and Cathryn L. Riehl

Horst W. Mueller and Donna M. Mueller

Horst W. Mueller and Donna Mueller

Huberto Weber Chavez and Georgina Rodriguez Mariscal

Huron Heights Investment, Ltd.

Huron Street Investments LLC

Incline Niobrara Partners, LP

James K. Barnett and Carolyn E. Barnett

Jamie Merritt

Johannes Lauer, Jr. and Dorothy Ann Lauer

John W. Zahn and Rachelle L. Zahn

Johnson Lane, LLC

Julie S. Harrington, Custodian for Ann D. Harrington, minor

Julie S. Harrington, Custodian for Thomas S. Harrington, minor

June Ann Pease

Kathleen S. Armitage Trust u/a dated October 14, 2009 and Ashleigh Armitage

Lucille Armstrong

Margaret A. Webber Revocable Trust

Mark D. Wennstedt and Stephanie M. Wennstedt, Trustees of the Mark D. Wennstedt

Revocable Trust dated 2/19/2013

McWhinney CCOB Land Investments

Metzger Energy, LLC

Michael Francis Schwertzer

Nancy Loghry

Northwest Parkway Public Highway Authority

Pat N. New Family Trust dated November 11, 2003

Patricia Ann Simpson

Randolph C. Tappan

Randolph C. Tappan, Jr.

Rejoice Lutheran Church

Richard F. Duran, Jr. and Kim K. Duran, as Joint Tenants

Richard Neubauer

Richard R. Lucas and Shellie L. Lucas

Robert A. Tallarico

Robert J. Harmoush Trust dated June 1, 2000

Robert L Weil Trust FBO Richard F. Weil, Investors Independent Trust Company and Richard F. Weil, Co-Trustees

Robert L. Weil Trust FBO Linda Detweiler B2 c/o BOKF, N.A. d/b/a Colorado State Bank and Trust, Trustee

Roberta A. Hensley

Roland G. Murren and Marlena J. Murren, Trustees of the Marlena J. Murren Living Trust and

Roland G. Muren and Marlena J. Murren, Trustees of the Roland G. Murren Living Trust

Ronald W. Hocker and Mary Ann Hocker

Scott A. Rairden and Beverly A. Rairden

Sherri R. Struble Living Trust

Sondra L. Mumaw and Virginia A. Sear and Carl G. Sear

South Street Builderings, LLC

Stephanie M. Wennstedt and Mark D. Wennstedt, Trustees of the Stephanie M. Wennstedt

Revocable Trust dated 2/19/2013

Swallow Living Trust dated September 13, 2002

The Jerry P. Hill Living Trust

Timothy J. Rockwell and Arlene F. Rockwell

VDC, Inc.

Viola Lara

WCR7, LLC

Wendell D. Stahl

William A. Sheppard, Jr.

William D. Barnett and Sandra S. Barnett

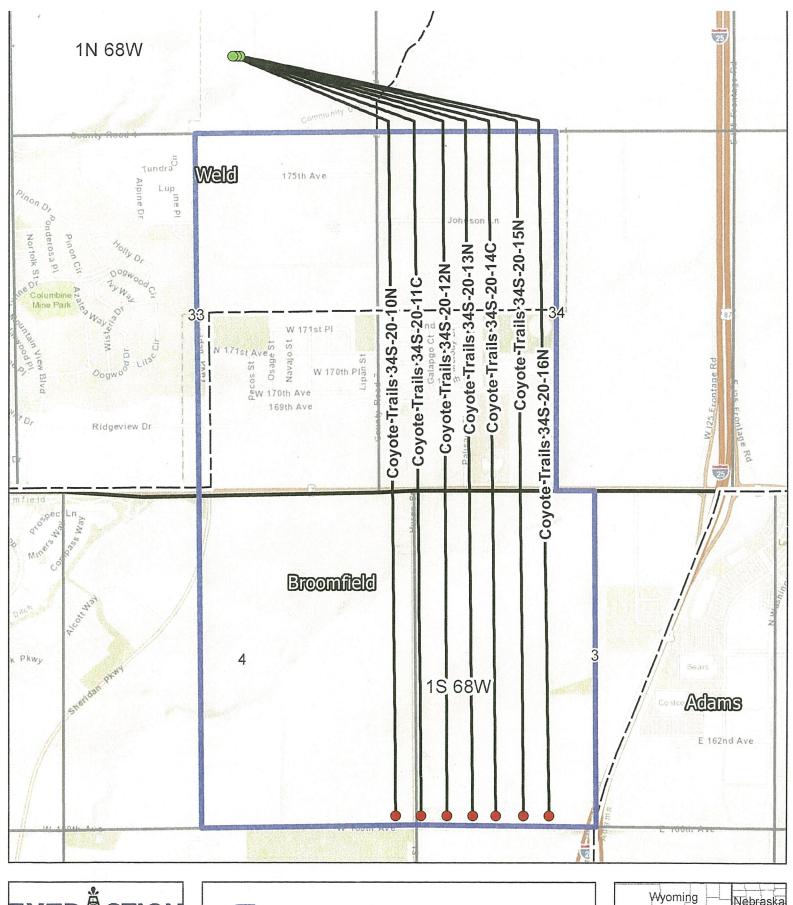
William F. Provance

William S. Raimo and Christina R. Raimo

WS-ACB Development, LLC

Wyoming Trust Company, Trustee of the Robert L. Weil Trust FBO Ronald Weil B2

8

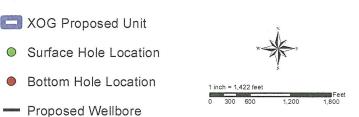




1S-68W- Sec. 3 - E2 & Sec. 34 - W2 1S-68W- Sec. 3 - W2 & Sec. 4 - E2

Scale:1:20,400 PRJ:GCS NAD83

Date: 1/18/2018 Author: CMB





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IN THE MATTER OF THE APPLICATION OF EXTRACTION OIL & GAS, INC. FOR AN	)	Cause No. 407		
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AN ESTABLISHED 1,360-ACRE DRILLING AND SPACING UNIT COVERING CERTAIN LANDS IN TOWNSHIPS 1 NORTH AND 1	)	Type: POOLING		
SOUTH, RANGE 68 WEST, 6TH P.M., WATTENBERG FIELD, BROOMFIELD AND WELD COUNTIES, COLORADO.	)			
AEEIDAVIT OE MAILING				

#### AFFIDAVIT OF MAILING

STATE OF COLORADO §

CITY AND COUNTY OF DENVER §

I, Joseph C. Pierzchala, of lawful age, and being first duly sworn upon my oath, state and declare:

That I am the attorney for Extraction Oil & Gas, Inc. and that on or before January 25, 2018, I caused a copy of the attached Application to be deposited in the United States mail, postage prepaid, addressed to the parties listed on <u>Exhibit A</u> to the Application.

Joseph C. Pierzchala

Subscribed and sworn to before me January 30, 2018

Witness my hand and official seal.

Notary Public

My commission expires: **8 /34 / 303 )** 

MELISSA A. MORMAN NOTARY PUBLIC STATE OF COLORADO NOTARY ID 19894012434 MY COMMISSION EXPIRES AUGUST 29, 2021