

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

IN THE MATTER OF AN APPLICATION BY)
EXTRACTION OIL & GAS, INC FOR AN)
ORDER TO ESTABLISH AN)
APPROXIMATE 1,280-ACRE DRILLING)
AND SPACING UNIT WITH WELL)
LOCATION RULES APPLICABLE TO THE)
DRILLING OF WELLS AND PRODUCING)
OF OIL, GAS, AND ASSOCIATED)
HYDROCARBONS FROM THE NIOBRARA)
AND CODELL FORMATIONS FOR)
SECTIONS 11 AND 14, TOWNSHIP 2)
SOUTH, RANGE 66 WEST, 6TH P.M.,)
WATTENBERG FIELD, ADAMS COUNTY,)
COLORADO.)

Cause No. 407
Docket No. 180600433
Type: SPACING

APPLICATION

Extraction Oil & Gas, Inc. ("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 to establish an approximate 1,280-acre drilling and spacing unit for Sections 11 and 14, Township 2 South, Range 66 West, 6th P.M., and to approve up to 16 horizontal wells within the unit, for the production of oil, gas, and associated hydrocarbons from the Niobrara and Codell Formations. In support of its Application, Applicant states as follows:

1. Applicant is a corporation duly authorized to conduct business in the State of Colorado, is a registered operator in good standing, and is an Owner with the right to drill in the following lands ("Application Lands"):

Township 2 South, Range 66 West, 6th P.M.
Section 11: All
Section 14: All

A reference map of the Application Lands is attached as Exhibit B hereto.

2. 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 is 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.

3. To promote efficient drainage of the Niobrara and Codell Formations within the Application Lands and to avoid waste, the Commission should establish one approximate 1,280-acre drilling and spacing unit for the Application Lands described below, and approve up to 16 horizontal wells within the unit, for the production of oil, gas and associated hydrocarbons from the Niobrara and Codell Formations:

Township 2 South, Range 66 West, 6th P.M.

Section 11: All

Section 14: All

4. Applicant requests authority to drill and complete one (1) horizontal well in the approximate 1,280-acre drilling and spacing unit with the option to drill and complete up to a total of sixteen (16) horizontal wells within the unit for production of oil, gas and associated hydrocarbons from the Niobrara and Codell Formations in the Application Lands. Applicant further requests that the Commission authorize the treated interval of each wellbore to be no closer than 150 feet from the treated interval of any other wellbore producing from the Niobrara and Codell Formations, and no closer than 460 feet from the unit boundary, without exception being granted by the Director.

5. Applicant requests authority to drill only those wells necessary to determine the well density which allows for the most efficient drainage of the Niobrara and Codell Formations, prevents waste, protects correlative rights, and assures the greatest ultimate recovery of oil, gas, and associated hydrocarbon substances. The proposed drilling and spacing unit is not smaller than the maximum area that can be economically and efficiently drained by the requested number of wells in the unit. Applicant further maintains that the requested setbacks and the wells drilled in the above-proposed drilling and spacing unit will have no adverse effect on correlative rights of adjacent owners.

6. Applicant further requests that the wells are drilled from no more than one (1) well pad within the unit or from a legal location on adjacent lands.

7. The names and addresses of the interested parties according to the information and belief of the Applicant are set forth in Exhibit A attached hereto and made a part hereof., and the undersigned certifies that copies of this Application shall be served on each interested party within seven days after filing of the application as required by Rules 503.e. and 507.b.(1).

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 12 day of April , 2018.

Respectfully submitted,

WELBORN SULLIVAN MECK & TOOLEY, P.C.

By: _____


Joseph C. Pierzchala
Geoffrey W. Storm
Welborn Sullivan Meck & Tooley, P.C.
Attorneys for Applicant
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Denver, CO 80202
303-830-2500
jpierzchala@wsmtlaw.com
gstorm@wsmtlaw.com

Applicant's Address:

Extraction Oil & Gas, Inc.
370 17th Street, Suite 5300
Denver, CO 80202
Attn: Pam Kingery, Land Advisor
Phone: 720-557-8300

EXHIBIT A

PARTIES RECEIVING NOTICE PURSUANT TO COMMISSION RULE 507.c.

Adams County

Christine Dougherty
4430 South Adams County Pkwy.
Brighton, CO 80601-8218

Commerce City Municipality

Chris Cramer
City of Commerce City
7887 East 60th Avenue
Commerce City, CO 80022

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

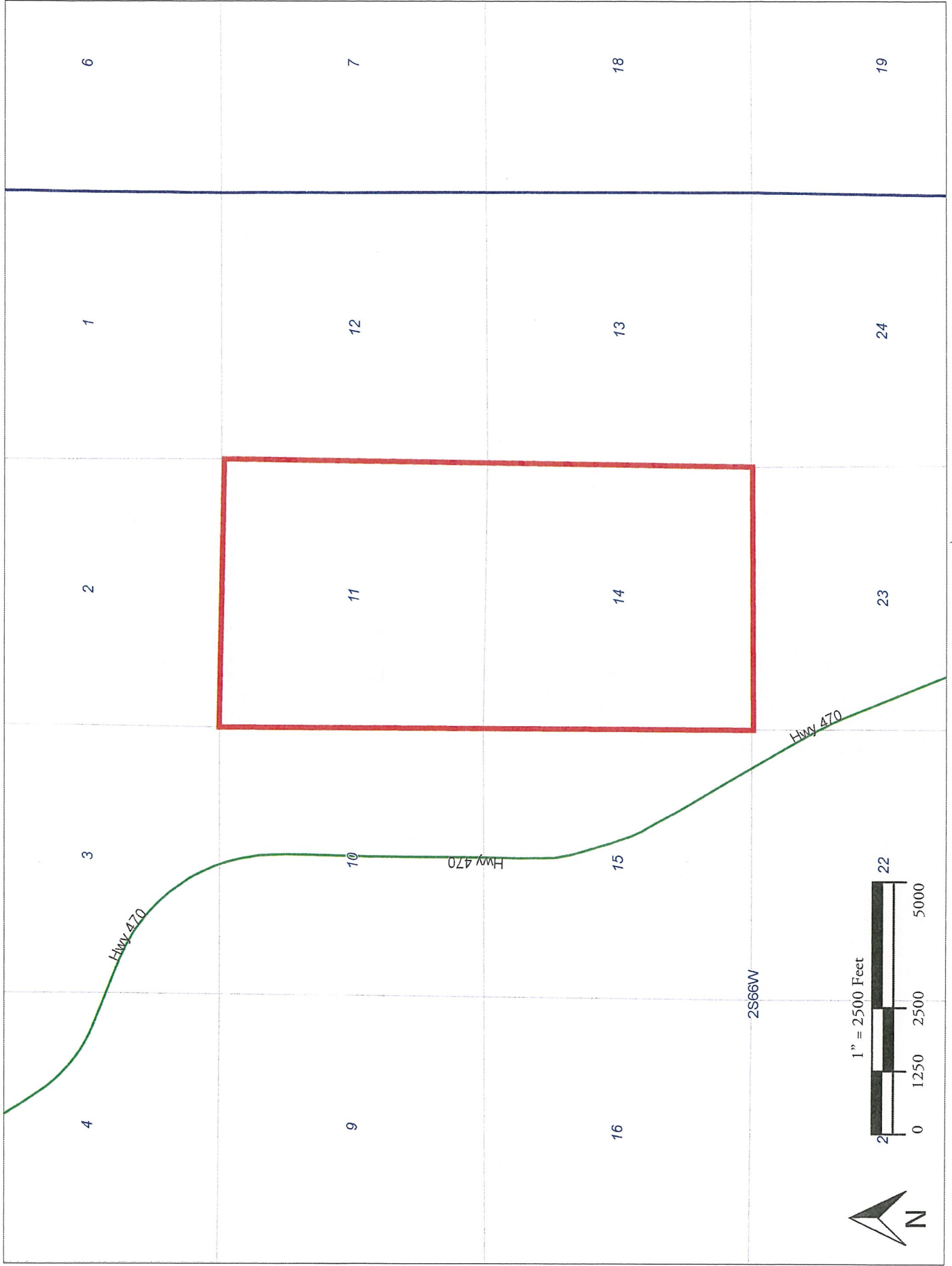
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EXHIBIT A CONTINUED ON NEXT PAGE

EXHIBIT A

INTERESTED PARTIES

AZ THIRD CREEK, LLC
BOX ELDER FARMS, LLC
CCT INVESTORS, LLC
COWLEY DESCENDANTS IRREVOCABLE TRUST DATED DECEMBER 31, 1997
COWLEY MANAGEMENT, LLC
DLJ THIRD CREEK, LLC
DLJ THIRD CREEK, LLLP
EXTRACTION OIL & GAS, LLC
FAR MAREL, LLC
FOREVER 7, LLC
GO WEST TOO DEFINED BENEFIT PENSION PLAN
GO WEST TOO DEFINED BENEFIT PENSION PLAN, DATED JANUARY 1, 2001
HARVARD C.G. PROPERTIES II, LLC
MOUNT OLYMPUS INVESTMENTS, LLC
MT. BALDY, LP
NEAL MANAGEMENT, LLC
SCM - BLAYLOCK OKC, LLLP
SCM - CAGLE OKC, LLLP
SCM - CARRIER OKC, LLLP
SCM - DONNELLY, LLLP
SCM - FRIEDMAN OKC, LLLP
SCM - GRP THIRD CREEK, LLLP
SCM - HESS MYERS, LLLP
SCM - KING, LLLP
SCM - MOORE, LLLP
SCM - MORRIS, LLLP
SCM - NEAL, LLLP
SCM - POG, LLLP
SCM - REMONDINO OKC, LLLP
SCM - SCHOENHALS OKC, LLLP
SCM - STEPHAN, LLLP
SCM - TIBBS OKC, LLLP
SMT INVESTORS LIMITED PARTNERSHIP
SMT INVESTORS, LP (C/O COWLEY MANAGEMENT, LLC)
THE FIRST NATIONAL BANK OF DENVER, AS TRUSTEE UNDER THE WILL OF
GEORGE DEXTER BLOUNT

Exhibit B - Application Lands



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

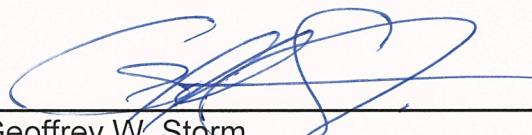
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AFFIDAVIT OF MAILING

STATE OF COLORADO §
 §
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 Extraction Oil & Gas, Inc. and that on or before April 18, 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 Exhibit A to the Application.

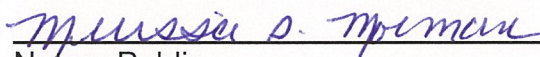


Geoffrey W. Storm

Subscribed and sworn to before me April 23, 2018.

Witness my hand and official seal.

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



Notary Public

My commission expires: 8/29/2021