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

IN THE MATTER OF AN AMENDED APPLICATION BY EXTRACTION OIL & GAS. INC. FOR AN ORDER POOLING ALL INTERESTS IN THREE (3) APPROXIMATE 720-ACRE DESIGNATED HORIZONTAL WELLBORE SPACING UNITS FOR CERTAIN PORTIONS OF SECTIONS 17 AND 18. TOWNSHIP 4 NORTH, RANGE 68 WEST, 6TH P.M. AND CERTAIN PORTIONS OF SECTION 13, TOWNSHIP 4 NORTH, RANGE 69 WEST, 6TH P.M., FOR THE DEVELOPMENT/OPERATION OF THE CODELL AND NIOBRARA FORMATIONS. WATTENBERG FIELD, WELD COUNTY, COLORADO

CAUSE NO. 407

DOCKET NO. 180600454

TYPE: POOLING

AMENDED APPLICATION

Extraction Oil & Gas, Inc., (Operator No. 10459) ("Extraction" or "Applicant"), by and through its attorneys, Beatty & Wozniak, P.C., respectfully submits this **Amended** Application ("Application") to the Oil and Gas Conservation Commission of the State of Colorado ("Commission") for an order pooling all interests in three (3) approximate 720-acre horizontal wellbore spacing units established for certain portions of Sections 17 and 18, Township 4 North, Range 68 West, 6th P.M. and certain portions of Section 13, Township 4 North, Range 69 West, 6th P.M., for the development and operation of the Codell and Niobrara Formations. 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 4 North, Range 68 West, 6th P.M.

Section 17: NW¼NW¼; SW¼NW¼

Section 18: N½

Weld County, Colorado

Township 4 North, Range 69 West, 6th P.M.

Section 13: N½

Larimer County, Colorado

Wellbore Spacing Unit ("WSU") Nos. 1 - 3

720 acres, more or less.

These lands are hereinafter collectively referred to as the "Application Lands" and depicted in Exhibit A, attached hereto.

- 3. On April 27, 1998, the Commission adopted Rule 318A. which, among other things, allowed certain drilling locations to be utilized to drill or twin a well, deepen a well or recomplete a well and to commingle any or all of the Cretaceous Age Formations from the base of the Dakota Formation to the surface. On December 5, 2005, Rule 318A. was amended to allow interior infill and boundary wells to be drilled and wellbore spacing units to be established. On August 8, 2011, Rule 318A. was again amended to, among other things, address drilling of horizontal wells. The Application Lands are subject to Rule 318A.
- 4. Upon information and belief, Applicant designated three (3) approximate 720-acre horizontal wellbore spacing units comprised of the Application Lands, for the below-described wells, for the production of oil, gas, and associated hydrocarbons from the Codell and Niobrara Formations. Applicant notified all owners in the proposed wellbore spacing units pursuant to Rule 318A.e.(5). Applicant did not receive objections to the establishment of the proposed horizontal wellbore spacing units within the 30-day response period:
 - a. Kennedy 7N Well (API No. 05-123-40301) Niobrara Formation WSU # 1;
 - b. Kennedy 9<u>C</u> Well (API No. 05-123-40298) Codell Formation WSU #2;
 - c. Kenney 11N Well (API No. 05-123-40293) Niobrara Formation WSU #3.

These wells are hereinafter collectively referred to as the "Subject Wells."

- 5. Acting pursuant to the relevant provisions of §34-60-116(6) & (7), C.R.S., and Rule 530., Applicant seeks an order pooling all interests, including, but not limited to, any nonconsenting interests, in WSU Nos. 1 3 established for the Application Lands, for the development and operation of the Codell and Niobrara Formations.
- 6. Applicant requests that the Commission's pooling order be made effective as of the earlier of the date of this Application, or the date that the costs specified in §34-60-116(7)(b), C.R.S. are first incurred for the drilling of the Subject Wells within WSU Nos. 1 3.
- 7. Further, Applicant requests 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 Subject Wells, are made subject to the cost recovery provisions of §34-60-116(7), C.R.S., effective as of the earlier of the date of the Application, or the date the costs specified in §34-60-116(7)(b), C.R.S. are first incurred for the drilling of the Subject Wells.

- 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. 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.
- 10. The undersigned certifies that copies of this Application will be served on each interested party as required by Rule 507 within seven (7) days of the filing hereof, as required by Rule 503.e.

WHEREFORE, Applicant respectfully requests that this matter be set for hearing, that notice be given as required by law and that upon such hearing, the Commission enter its order:

- A. Pooling all interests in WSU Nos. 1 3 established for the Application Lands, for the development and operation of the Codell and Niobrara Formations, effective as of the earlier of the date of this Application, or the date that the costs specified in §34-60-116(7)(b), C.R.S. are first incurred for the drilling of the Subject Wells within WSU Nos. 1 3.
- B. 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 Subject Wells, are made subject to the cost recovery provisions of §34-60-116(7), C.R.S., effective as of the earlier of the date of the Application, or the date the costs specified in §34-60-116(7)(b), C.R.S. are first incurred for the drilling of the Subject Well.
- C. For such other findings and orders as the Commission may deem proper or advisable in the premises.

DATED this 12th day of April May 2, 2018.

Respectfully submitted,

EXTRACTION OIL & GAS, INC.

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

Applicant's Address: Extraction Oil & Gas, Inc. ATTN: Jason Rayburn 370 17th Street, Suite 5300 Denver, CO 80202

VERIFICATION

| STATE OF COLORADO |) |
|--|----------------------------|
| CITY & COUNTY OF DENVER |) ss.) |
| Annie Pierini, Landman for Extraction Oil & Gas Inc., upon oath deposes and says that she has read the foregoing <u>Amended</u> Application and that the statements contained therein are true to the best of her knowledge, information and belief. | |
| | EXTRACTION OIL & GAS INC. |
| | Annie Pierini |
| Subscribed and sworn to before me this day of May, 2018, by Annie Pierini, Landman for Extraction Oil & Gas Inc. | |
| Witness my hand and official seal. | |
| My commission expires: | Mara Cary Notary Public |
| ANGELA CHRISTINE NICKEL NOTARY PUBLIC STATE OF COLORADO NOTARY ID 20184003200 MY COMMISSION EXPIRES JANUARY 18, 2022 | |

EXHIBIT A

Reference Map for Pooling Application

Township 4 North, Range 68 West, 6th P.M. Section 17: NW¼NW¼; SW¼NW¼

Section 18: N½

Weld County, Colorado

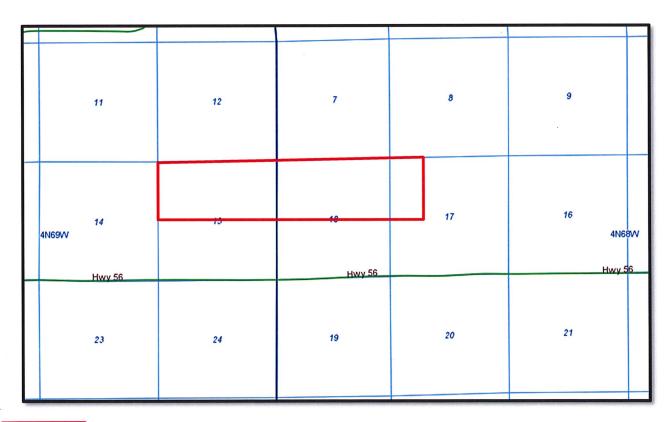
Township 4 North, Range 69 West, 6th P.M.

Section 13: N½

Larimer County, Colorado

Wellbore Spacing Unit ("WSU") Nos. 1 - 3

720 acres, more or less



= Application Lands

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

IN THE MATTER OF AN AMENDED APPLICATION BY EXTRACTION OIL & GAS, INC. FOR AN ORDER POOLING ALL INTERESTS IN THREE (3) APPROXIMATE **720-ACRE** DESIGNATED HORIZONTAL WELLBORE SPACING UNITS FOR CERTAIN PORTIONS OF SECTIONS 17 AND 18, TOWNSHIP 4 NORTH, RANGE 68 WEST, 6TH P.M. AND CERTAIN PORTIONS OF SECTION 13, TOWNSHIP 4 NORTH, RANGE 69 WEST, 6TH P.M., FOR THE DEVELOPMENT/OPERATION OF THE CODELL AND NIOBRARA FORMATIONS. WATTENBERG FIELD, WELD COUNTY. COLORADO

CAUSE NO. 407

DOCKET NO. 180600454

TYPE: POOLING

AFFIDAVIT OF MAILING

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

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 Extraction Oil and Gas and on or before the 4th day of May, 2018 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 2nd day of May, 2018

Witness my hand and official seal.

AIDA LINDA BOWLIN

NOTARY PUBLIC

STATE OF COLORADO

NOTARY ID 19984012218
MY COMMISSION EXPIRES 05/01/2022

<u>Uda Sında Barlın</u> Notary Public

EXHIBIT A

INTERESTED PARTIES

The names and addresses of the interested parties (persons who own any interest in the mineral estate of the tracts to be pooled, except owners of overriding royalty interest) according to the information and belief of the Applicant are set forth in this Exhibit A.

LARSON FRONT RANGE FARMS, LLC 925 N. COUNTY ROAD 13 BERTHOUD, CO 80513

JAMES PETER SEVY 1328 1ST ST BERTHOUD, CO 80513

LINCOLN ENERGY PARTNERS II, LLC 852 BROADWAY AVE, SUITE 300 DENVER, CO 80203

WESLEY E. STATLEY AND MARCIA L. STATLEY, JOINT TENANTS 1432 1ST ST BERTHOUD, CO 80513

ANNA MARY SCHNEIDER 6126 CHOKECHERRY DRIVE LOVELAND, CO 80537

EXTRACTION OIL & GAS INC. 370 17TH ST., SUITE 5300 DENVER, CO 80202