

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

IN THE MATTER OF AN APPLICATION BY
EXTRACTION OIL & GAS INC. FOR AN ORDER
ESTABLISHING AN APPROXIMATE 1,640-ACRE
DRILLING AND SPACING UNIT FOR PORTIONS OF
SECTIONS 7, 8, 17, AND 18, TOWNSHIP 4 NORTH,
RANGE 68 WEST, 6TH P.M. AND PORTIONS OF
SECTIONS 12 AND 13, TOWNSHIP 4 NORTH,
RANGE 69 WEST, 6TH P.M., FOR HORIZONTAL
WELL DEVELOPMENT OF THE CODELL AND
NIOBRARA FORMATIONS, WATTENBERG FIELD,
WELD AND LARIMER COUNTIES, COLORADO

CAUSE NO. 407

DOCKET NO.

TYPE: SPACING

APPLICATION

Extraction Oil & Gas Inc., Operator No. 10459 ("Extraction" 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 ("Commission") for an order establishing an approximate 1,640-acre drilling and spacing unit for portions of Sections 7, 8, 17, and 18, Township 4 North, Range 68 West, 6th P.M. and portions of Sections 12 and 13, Township 4 North, Range 69 West, 6th P.M., and authorizing the drilling of eighteen (18) horizontal wells within the proposed unit, for the production of oil, gas, and associated hydrocarbons from 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 7: S $\frac{1}{2}$ S $\frac{1}{2}$

Section 8: SW $\frac{1}{4}$ SW $\frac{1}{4}$

Section 17: W $\frac{1}{2}$ NW $\frac{1}{4}$

Section 18: N $\frac{1}{2}$, SW $\frac{1}{4}$, W $\frac{1}{2}$ SE $\frac{1}{4}$

Weld County, Colorado

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

Section 12: S $\frac{1}{2}$ S $\frac{1}{2}$

Section 13: All

Larimer County, Colorado, 1,640 acres, more or less.

These lands are hereinafter 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. Additionally, the online records maintained by the COGCC indicate that there are no horizontal wells currently producing in the Application Lands.

Establishing a 1,640-acre drilling and spacing unit for the Application Lands

5. Applicant requests the Commission establish the Application Lands as an approximate 1,640-acre drilling and spacing unit for the Codell and Niobrara Formations pursuant to Rule 503.b.(1) and §34-60-116(2), C.R.S. For the Application Lands, the proposed drilling unit is not smaller than the maximum area that can be economically and efficiently drained by the horizontal wells proposed to be drilled under this Application and completed in the Codell and Niobrara Formations.

6. Applicant requests it be authorized to drill and complete eighteen (18) horizontal wells in the approximate 1,640-acre drilling and spacing unit proposed for the Application Lands, for the production of oil, gas, and associated hydrocarbons from the Codell and Niobrara Formations, as necessary to economically and efficiently recover resources, while minimizing surface impacts, creating efficiencies for drilling and production, increasing the ultimate recovery of the reserves, preventing waste, and protecting correlative rights.

a. Among the eighteen (18) requested horizontal wells, the following wells and associated wellbore spacing units are currently permitted under Rule 318A, pooling applications for which are also pending before the Commission:

- (1) Enright 2N Well (API No. 05-123-46871);
- (2) Enright 6N Well (API No. 05-123-46867);
- (3) Enright 8C Well (API No. 05-123-46861);
- (4) Enright 10N Well (API No. 05-123-46870);
- (5) Enright 14N Well (API No. 05-123-46866);
- (6) Trott 7W-10-8N Well (API No. 05-123-45733);
- (7) Trott 7W-10-10C Well (API No. 05-123-45710);
- (8) Trott 7W-10-12N Well (API No. 05-123-45702);
- (9) Trott 7W-20-16N Well (API No. 05-123-45707);
- (10) Kennedy 1C Well (API No. 05-123-40308);
- (11) Kennedy 3N Well (API No. 05-123-40294);
- (12) Kennedy 7N Well (API No. 05-123-40301);

- (13) Kennedy 9C Well (API No. 05-123-40298);
- (14) Kennedy 11N Well (API No. 05-123-40293); and
- (15) Kennedy 17 Well (API No. 05-123-40297).

b. The wellbore spacing units for the the Enright 2N Well; the Trott 7W-10-8N Well; the Trott 7W-10-10C Well; the Trott 7W-10-12N Well; and the Trott 7W-20-16N Well are subject to a judicial review of a final agency action currently pending in Colorado District Court.

c. Applicant is submitting this application as an alternative spacing method to be applied depending on the outcome of the litigation described above.

Setback and Location Requirements

7. Applicant requests that setback and location requirements for the Application Lands be as follows:

a. For the permitted wells to be drilled under this Application, the treated intervals of the wellbores should be not less than 460 feet from the unit boundaries with an inter-well setback of not less than 150 feet from the treated interval of a well producing from the Codell and Niobrara Formations, without exception being granted by the Director.

b. Any horizontal wells to be drilled under this Application for production from the Codell and Niobrara Formations will be drilled from the surface of the drilling unit, or on adjacent lands with consent of the landowner, from no more than two (2) surface locations, unless an exception is granted by the Director.

8. 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.

9. 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.

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 an order:

A. Establishing an approximate 1,640-acre drilling and spacing unit for Application Lands, and authorizing the drilling of eighteen (18) horizontal wells within the unit, for the production of oil, gas, and associated hydrocarbons from the Codell and Niobrara Formations, with the treated interval of the wellbore of the permitted wells to be located not less than 460 feet from the outer boundary of the unit and not less than

150 feet from the treated interval of any well being drilled or producing from the Codell and Niobrara Formations, without exception being granted by the Director.

B. Providing that the horizontal wells to be drilled in the unit will be drilled from the surface of the drilling unit, or on adjacent lands with consent of the landowner, from no more than two (2) surface locations, unless an exception is granted by the Director.

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

DATED this 31st day of May, 2018.

Respectfully submitted,

EXTRACTION OIL & GAS INC.

By: 
Jillian Fulcher
James P. Parrot
Jobediah J. Rittenhouse
Beatty & Wozniak, P.C.
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jfulcher@bwenergylaw.com
jparrot@bwenergylaw.com
jrittenhouse@bwenergylaw.com

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

VERIFICATION

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


Jason Rayburn, Staff Landman for 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.

Jason Rayburn

Subscribed and sworn to before me this 31 day of May, 2018, by Jason Rayburn, Staff Landman for Extraction Oil & Gas Inc.

Witness my hand and official seal.

My commission expires: 1/18/2022



Notary Public

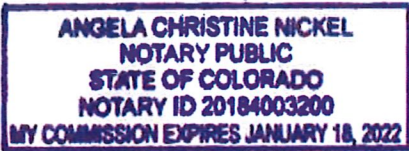


EXHIBIT A

Reference Map for Application

Township 4 North, Range 68 West, 6th P.M.

Section 7: S $\frac{1}{2}$ S $\frac{1}{2}$

Section 8: SW $\frac{1}{4}$ SW $\frac{1}{4}$

Section 17: W $\frac{1}{2}$ NW $\frac{1}{4}$

Section 18: N $\frac{1}{2}$, SW $\frac{1}{4}$, W $\frac{1}{2}$ SE $\frac{1}{4}$

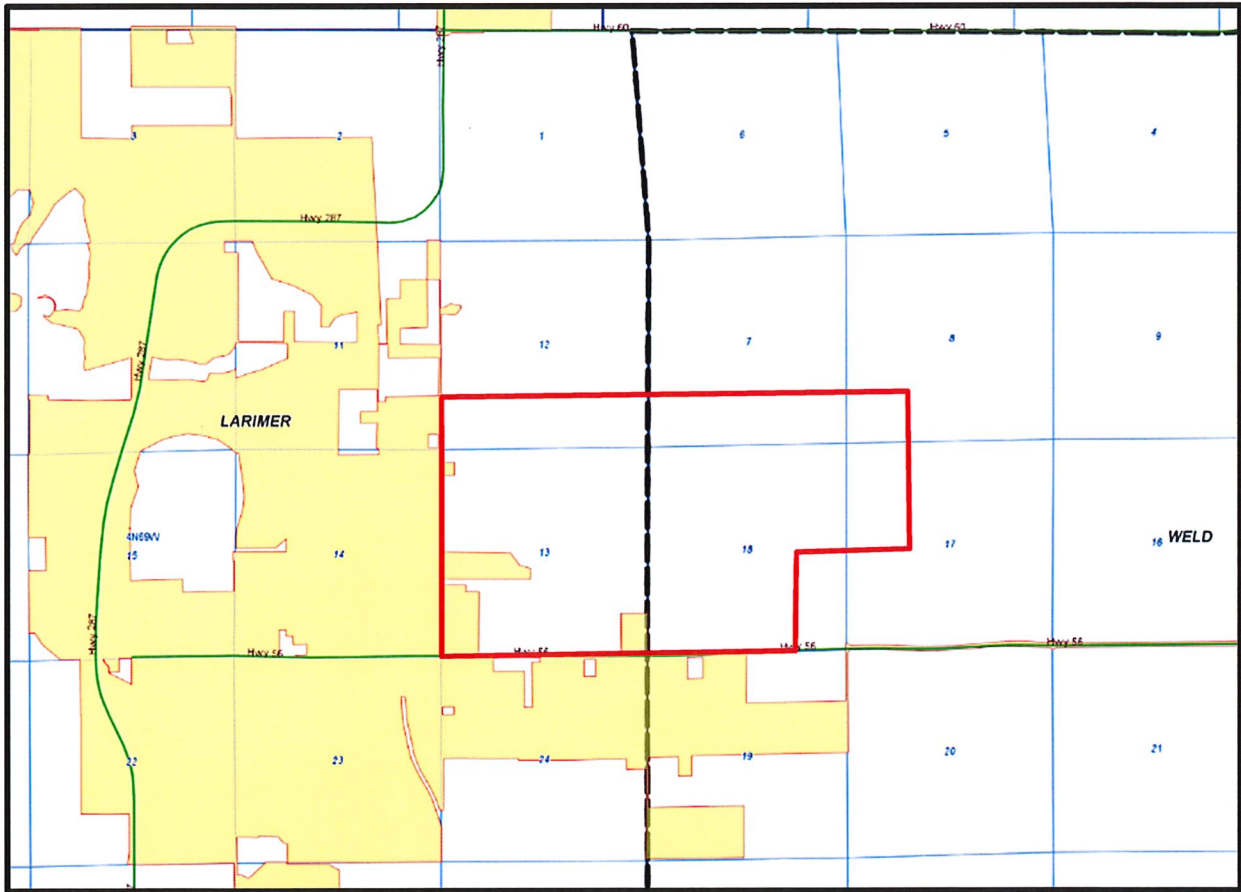
Weld County, Colorado

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

Section 12: S $\frac{1}{2}$ S $\frac{1}{2}$

Section 13: All

Larimer County, Colorado, 1,640 acres, more or less



= Application Lands

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NIOBRARA FORMATIONS, WATTENBERG FIELD,
WELD AND LARIMER COUNTIES, COLORADO

CAUSE NO. 407

DOCKET NO.

TYPE: SPACING

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:

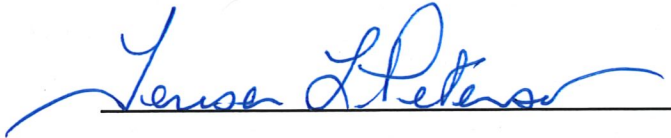
That she is a Legal Assistant at Beatty & Wozniak, P.C., attorneys for Extraction Oil & Gas Inc., and on or before the 31st day of June, 2018 caused a copy of the attached Application to be deposited in the United States Mail, postage prepaid, addressed to the parties listed on Exhibit A attached hereto.



Grace Go-Hoveland

Subscribed and sworn to before me this 31st day of May, 2018.

Witness my hand and official seal.



Teresa L. Peterson

Notary Public

TERESA L. PETERSON
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 19894002026
MY COMMISSION EXPIRES OCTOBER 4, 2021

EXHIBIT A
INTERESTED PARTIES

ANNA MARY SCHNEIDER
6126 CHOKECHERRY DRIVE
LOVELAND, CO 80537

CLIFFORD M. ALPS
5430 STRAIN VRAIN ROAD
LONGMONT, CO 80503

ERIN K. CONLON
483 HWY 56
BERTHOUD, CO 80513

PEAKVIEW MEADOWS OWNERS
ASSOCIATION, INC.
845 PYRAMID PEAK ST
BERTHOUD, CO 80513

TOWN OF BERTHOUD, COLORADO
P.O. BOX 1229
BERTHOUD, CO 80513

DAVID B. OVERHOLT AND DINA A. SCHEMM-
OVERHOLT, JOINT TENANTS
892 E. COUNTY ROAD #8
BERTHOUD, CO 80513

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

CASSIE HOYLE WARREN
ROUTE 3, BOX 648
BROOMFIELD, CO 80020

ROBERT LITTLEFIELD
ROUTE 3, BOX 648
BROOMFIELD, CO 80020

LLOYD LITTLEFIELD
ROUTE 3, BOX 648
BROOMFIELD, CO 80020

HEIRS OR DEVISEES OF PHYLLIS A.
MOORE, DECEASED
231 E. RIVERVIEW AVE., SPACE 20
FT. MORGAN, CO 80701

FORREST E. TAPPY
RT. #2 BOX 648
BROOMFILED, CO 80020

HEIRS OR DEVISEES OF MICHELLE R.
KRAGER, DECEASED
RT. #2 BOX 648
BROOMFILED, CO 80020

JOHN J. CARPENTER AND ELSIE E.
CARPENTER, JOINT TENANTS
828 1ST STREET
BERTHOUD, CO 80513

DENNIS DOSTAL AND CHRISTINE DOSTAL,
JOINT TENANTS
735 MT. MASSIVE ST.
BERTHOUD, CO 80513

GARY L. BOUGHTON AND JEANNE D.
BOUGHTON, JOINT TENANTS
520 WINDOM PEAK LN.
BERTHOUD, CO 80513

DUSTIN KNAPP AND SARAH KNAPP, JOINT
TENANTS
745 MOUNT MASSIVE ST.
BERTHOUD, CO 80513

GEORGE ACKERMAN AND JOSHUA
ACKERMAN, JOINT TENANTS
180 E. TURNER AVE.
BERTHOUD, CO 80513

ERIC T. CLARK AND LARISSA E. CLARK,
JOINT TENANTS
545 WINDOM PEAK LN.
BERTHOUD, CO 80513

CHARLES D. CRUTCHFIELD AND
KHWANKAMON CRUTCHFIELD, JOINT
TENANTS
775 PYRAMID PEAK ST.
BERTHOUD, CO 80513

CYNTHIA LEE ROCEK AND ROGER DONALD
ROCEK, JOINT TENANTS
160 E. TURNER AVE.
BERTHOUD, CO 80513

WILLIAM A. KOENIG AND STEPHANIE C.
KOENIG, JOINT TENANTS
P.O. BOX 1154
BERTHOUD, CO 80513

KIM WIECK AND CHRIS WIECK, JOINT
TENANTS
580 PYRAMID PEAK ST.
BERTHOUD, CO 80513

LORENZO MANRIQUEZ AND MARIA N.,
MANRIQUEZ, JOINT TENANTS
585 MOUNT MASSIVE ST.
BERTHOUD, CO 80513

BETH J. RAYON
145 RED CLOUD AVE.
BERTHOUD, CO 80513

MARTA LOACHAMIN
620 PYRAMID PEAK ST.
BERTHOUD, CO 80513

TODD L. GABRIEL AND MARIA L. GABRIEL,
JOINT TENANTS
845 PYRAMID PEAK ST.
BERTHOUD, CO 80513

CHARLES B. JOHNSON
155 REDCLOUD AVE.
BERTHOUD, CO 80513

CONSTANCE D. WALLACE
665 MOUNT MASSIVE ST.
BERTHOUD, CO 80513

CHRISTOPHER M. BUCKRIDGE
665 TORREYS PEAK LN.
BERTHOUD, CO 80513

RONNIE R. HILL
870 PYRAMID PEAK LN.
BERTHOUD, CO 80513

MARIA G. HEGAN
680 MOUNT MASSIVE ST.
BERTHOUD, CO 80513

RALPH DRAKE AND JULIANNE L. DRAKE,
JOINT TENANTS
870 HUMBOLDT PEAK LN.
BERTHOUD, CO 80513

THOMAS W. WRIGHT AND JUDITH G.
WRIGHT, JOINT TENANTS
850 HUMBOLDT PEAK LN.
BERTHOUD, CO 80513

ALAN E. NICHOLS AND SHEREE NICHOLS,
JOINT TENANTS
620 MOUNT MASSIVE ST.
BERTHOUD, CO 80513

CLAY SHARP
580 WINDOM PEAK LN.
BERTHOUD, CO 80513

CHRISTINE C. GRAY
560 WINDOM PEAK LN.
BERTHOUD, CO 80513

JESUS E. CERECERES
875 MOUNT MASSIVE ST.
BERTHOUD, CO 80513

STEVEN E. COSEO AND GLADYS F. COSEO,
JOINT TENANTS
105 QUANDARY AVE.
BERTHOUD, CO 80513

LISA ANNE PLANTE-KELLY
685 PYRAMID PEAK ST.
BERTHOUD, CO 80513

WILLIAM DOMBROWSKI, WILLIAM EDWARD
DOMBROWSKI AND SHERYL LYNN
DOMBROWSKI, JOINT TENANTS
812 E. COUNTY ROAD 8
BERTHOUD, CO 80513

JOHN DAY AND JANELLE DAY
624 E. COUNTY ROAD 8
BERTHOUD, CO 80513

PEAKVIEW HOMES, INC.
845 PYRAMID PEAK ST
BERTHOUD, CO 80513

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

DOUGLAS R. PENNOCK & LINDA M.
PENNEOC, SUCCESSOR CO-TRUSTEES OF
THE PHILLIP R. PENNOCK, JR. TRUST
329 E. STATE HIGHWAY 56
BERTHOUD, CO 80513

KOOLSTRA-FISKE, LLLP
433 SW 16
LOVELAND, CO 80537

PEAKVIEW MEADOWS SECOND OWNERS
ASSOCIATION, INC.
446 E. 4TH ST.
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TRAIK R. KYLLO AND SHANNON M. KYLLO,
JOINT TENANTS
500 1ST ST.
BERTHOUD, CO 80513

ORVAL L. GATES AND MURIEL P. GATES,
JOINT TENANTS
2421 FLORA DR
LOVELAND, CO 80537

SHROUT FAMILY INVESTMENTS, LLC
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BOULDER, CO 80305

HEIRS OR DEVISEES OF I. K. HOYLE,
DECEASED
ROUTE 3, BOX 648
BROOMFIELD, CO 80020

MILTON LITTLEFIELD JR.
ROUTE 3, BOX 648
BROOMFIELD, CO 80020

HEIRS OR DEVISEES OF ARDIS LITTLEFIELD
BAZATA, DECEASED
ROUTE 3, BOX 648
BROOMFIELD, CO 80020

C. DAVID TAPPY
RT. #2 BOX 648
BROOMFIELD, CO 80020

LARRI R. TAPPY
RT. #2 BOX 648
BROOMFIELD, CO 80020

END-IRA INC. F/B/O JAMES H. PARSONS, JR.
IRA, A COLORADO CORPORATION
828 1ST STREET
BERTHOUD, CO 80513

IVAR W. LARSON AND DONNA M. LARSON,
JOINT TENANTS
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BERTHOUD, CO 80513

HECKEL CONSTRUCTION, LLC
2046 PARK DR
LOVELAND, CO 80538

DACK J. COUSINO AND JENNIFER COUSINO,
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760 GRAYS PEAK LN.
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BERTHOUD, CO 80513

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JOINT TENANTS
525 MOUNT MASSIVE ST.
BERTHOUD, CO 80513

EDMUND DAVID MONAK
545 PYRAMIND PEAK ST.
BERTHOUD, CO 80513

ALEXANDER MICHAELIS
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SAN JOSE, CA 95129

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BERTHOUD, CO 80513

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THORNE, JOINT TENANTS
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TYLER SCHLAGEL AND ARIKA L. SCHLAGEL,
JOINT TENANTS
145 QUANDARY AVE.
BERTHOUD, CO 80513

RACHEL A. REESE AND GARRETT M.
REESE, JOINT TENANTS
645 TORREYS PEAK LN.
BERTHOUD, CO 80513

LINDA R. ARMOUR AND ROSS W. ARMOUR,
JOINT TENANTS
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BERTHOUD, CO 80513

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JOLENE HODAPP, JOINT TENANTS
115 QUANDARY AVE.
BERTHOUD, CO 80513

BILLY DEAN WAGNER
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BERTHOUD, CO 80513

TIM PRICE AND HELENE PRONK, JOINT
TENANTS
890 MT. MASSIVE ST.
BERTHOUD, CO 80513

SILVER STREAM CONSTRUCTION, INC.
660 MOUNT MASSIVE ST.
BERTHOUD, CO 80513

ERIC FALLDIN AND JILL FALLDIN, JOINT
TENANTS
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BERTHOUD, CO 80513

JOY E. WOODRUFF
840 MOUNT MASSIVE ST.
BERTHOUD, CO 80513

ARMAND V. DANFORTH AND LORRAINE C.
DANFORTH, JOINT TENANTS
830 MOUNT MASSIVE ST.
BERTHOUD, CO 80513

EARL NICHOLS AND KAREN NICHOLS,
JOINT TENANTS
790 GRAYS PEAK LN.
BERTHOUD, CO 80513

MICHAEL B. HUSS AND MISTY A. HUSS,
JOINT TENANTS
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BERTHOUD, CO 80513

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LARIMER COUNTY
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SUITE 3100
FORT COLLINS, CO 80521

TROY SWAIN
WELD COUNTY
DEPARTMENT OF PLANNING SERVICES
1555 NORTH 17TH AVENUE
GREELEY, CO 80631

BRANDON MARETTE, ENERGY LIAISON
COLORADO PARKS AND WILDLIFE
NORTHEAST REGION OFFICE
6060 BROADWAY
DENVER, CO 80216

KENT KUSTER
OIL & GAS CONSULTANT COORDINATOR
COLORADO DEPARTMENT OF
PUBLIC HEALTH & ENVIRONMENT
4300 CHERRY CREEK DRIVE SOUTH
DENVER, CO 80246-1530

JEFFREY M. LARSON AND NINA M. LARSON,
JOINT TENANTS
895 HUMBOLDT PEAK LANE
BERTHOUD, CO 80513

RONALD T. BALDRIDGE AND TERRI R. S.
BALDRIDGE, JOINT TENANTS
215 REDCLOUD AVE.
BERTHOUD, CO 80513

JESSE F. ORNELAS AND KIMBERLY D.
EVANS-ORNELAS, JOINT TENANTS
880 PYRAMID PEAK ST.
BERTHOUD, CO 80513

DAVID A. BLAKE AND KAREN A. BLAKE,
JOINT TENANTS
640 TORREYS PEAK LN.
BERTHOUD, CO 80513

LARRY D. PYGOTT AND PAMELA A. PYGOTT
175 QUANDRY AVE.
BERTHOUD, CO 80513

STEPHEN L. DAY
618 E. COUNTY ROAD 8
BERTHOUD, CO 80513