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

IN THE MATTER OF THE APPLICATION OF CONOCOPHILLIPS COMPANY FOR AN ORDER TO ESTABLISH AN APPROXIMATE 960-ACRE DRILLING AND SPACING UNIT FOR THE DRILLING OF UP TO TWO (2) HORIZONTAL WELLS WITH WELL LOCATION RULES FOR THE NIOBRARA FORMATION IN SECTION 30, TOWNSHIP 3 SOUTH, RANGE 64 WEST, 6TH P.M., AND SECTION 25, TOWNSHIP 3 SOUTH, RANGE 65 WEST, 6TH P.M., UNNAMED FIELD, ADAMS COUNTY, COLORADO

CAUSE NO.

DOCKET NO.

TYPE: SPACING

APPLICATION

ConocoPhillips Company (Operator No. 19160) ("Applicant"), by and through its attorneys, Jost Energy Law, P.C., respectfully submits this Application to the Oil and Gas Conservation Commission of the State of Colorado (the "Commission") for an order to establish an approximate 960-acre drilling and spacing unit and authorize up to two (2) horizontal wells within the unit in order to efficiently and economically recover the oil, gas and associated hydrocarbons within said 960-acre drilling and spacing unit from the Niobrara Formation underlying the below-described lands. In support of its Application, Applicant states and alleges as follows:

- 1. Applicant is a Delaware corporation duly organized and authorized to conduct business in the State of Colorado.
- 2. Applicant owns leasehold interests or holds the right to operate on the following lands (hereafter "Application Lands"):

Township 3 South, Range 64 West, 6th P.M. Section 30: W½

Township 3 South, Range 65 West, 6th P.M. Section 25: All

960 acres, more or less, Adams County, Colorado.

A reference map of the Application Lands is attached hereto.

3. Rule 318.a. of the Rules and Regulations of the Oil and Gas Conservation Commission requires that, on unspaced lands, wells drilled in excess of 2,500 feet in depth be located not less than 600 feet from any lease line, and located not less than

1,200 feet from any other producible or drilling oil or gas well when drilling to the same common source of supply. The Application Lands are subject to Rule 318.a. for the Niobrara Formation.

- 4. On January 19, 2017, Bison Oil & Gas, LLC filed an Application in Docket No. 170300146 for an order establishing an approximate 1,280-acre drilling and spacing unit for Section 30, Township 3 South, Range 64 West, 6th P.M., and Section 25, Township 3 South, Range 65 West, 6th P.M., for the drilling of up to sixteen (16) horizontal wells to the Niobrara Formation on no more than three (3) well pads within the unit or from a legal location on adjacent lands, providing that the treated interval of each wellbore be no closer than 150 feet from the treated interval of another wellbore producing from the Niobrara Formation with in the unit, and no closer than 300 feet from the unit boundary, without exception being granted by the Director. Docket 170300146 is scheduled for a Commission hearing on March 20-21, 2017. Applicant will be filing a Protest to Bison's Application in Docket No. 170300146, and has submitted comments to Bison's Applications for Permits to Drill filed for the proposed 1,280-acre unit.
- 5. The records of the Commission reflect that no wells are currently producing from the Niobrara Formation in the Application Lands.
- 6. To promote efficient drainage within the Niobrara Formation of the Application Lands, to protect correlative rights and to avoid waste, the Commission should establish an approximate 960-acre drilling and spacing unit the Application Lands, and approve up to two (2) horizontal wells within the new unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.
- 7. The above-proposed drilling and spacing unit will allow efficient drainage of the Niobrara Formation; will prevent waste; will not adversely affect correlative rights and will assure the greatest ultimate recovery of gas and associated hydrocarbon substances from the reservoirs. The unit of the size and shape specified above is not smaller than the maximum area that can be economically and efficiently drained by the proposed well in the unit.
- 8. The Applicant is requesting to drill and complete up to two (2) horizontal wells within the unit in order to efficiently and economically recover the oil, gas and associated hydrocarbons from the Niobrara Formation within the Application Lands, and that there will be no adverse effect on correlative rights of adjacent owners.
- 9. The Applicant maintains that there will be no more than one (1) new well pad in the unit, or adjacent thereto, unless an exception is granted by the Director.
- 10. The treated interval of each proposed horizontal well shall be no closer than 460 feet from the boundaries of the unit (regardless of the lease lines within the unit) and all horizontal wells shall be no closer than 150 feet from the treated interval of another well producing from the same source of supply within the unit, unless an exception is granted by the Director.

11. The undersigned certifies that copies of this Application will be served on each interested party 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 in May 2017, that notice be given as required by law, and that upon such hearing this Commission enter its order:

- A. Establishing an approximate 960-acre drilling and spacing unit for the W½ of Section 30, Township 3 South, Range 64 West, 6th P.M., and Section 25, Township 3 South, Range 65 West, 6th P.M., and allowing up to two (2) horizontal wells in the unit in order to efficiently and economically develop and recover the oil, gas and associated hydrocarbons from of the Niobrara Formation in the unit.
- B. Providing that the treated interval any horizontal well shall be no closer than 460 feet from the boundaries of the unit and not less than 150 feet from the treated interval of another well within the unit, and authorizing up to one (1) well pad in the unit, or adjacent thereto, unless an exception is granted by the Director.
- C. Finding that an approximate 960-acre drilling and spacing unit for the development of the Niobrara Formation on the Application Lands will prevent waste, protect correlative rights, and maximize the efficient and economic production of the Niobrara Formation in the Application Lands.
- D. For such other findings and orders as the Commission may deem proper or advisable in this matter.

DATED March 2, 2017.

Respectfully submitted:

ConocoPhillips Company

Ву:

Jamie L. Jost Kelsey H. Wasylenky Jost Energy Law, P.C. Attorneys for Applicant 1401 17th Street, Suite 370 Denver, Colorado 80202 (720) 446-5620

Applicant's Address:

ConocoPhillips Company Attn: Ashlee G. Hansen 600 N. Dairy Ashford Road Houston, TX 77079-1069

VERIFICATION

STATE OF TEXAS)			
) ss. COUNTY OF HARRIS)			
Ashlee G. Hansen, Senior Landman with ConocoPhillips Company, upon oath deposes and says that she has read the foregoing Application and that the statements contained therein are true to the best of her knowledge, information and belief.			
CONOCOPHILLIPS COMPANY			
Ashlee G. Hansen			
Subscribed and sworn to before me this did day of March, 2017, by Ashlee G. Hansen, Senior Landman for ConocoPhillips Company.			
Witness my hand and official seal.			
My commission expires: 10.27.17			
Notary Public S			

Reference Map ConocoPhillips Company

Section 30, Township 3 South, Range 64 West, 6th P.M. Section 25, Township 3 South, Range 65 West, 6th P.M.



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

IN THE MATTER OF THE APPLICATION OF | CAUSE NO. CONOCOPHILLIPS COMPANY FOR AN ORDER TO ESTABLISH AN APPROXIMATE 960-ACRE DRILLING AND SPACING UNIT FOR THE DRILLING OF UP TO TWO (2) HORIZONTAL WELLS WITH WELL LOCATION RULES FOR THE NIOBRARA FORMATION IN SECTION 30, TOWNSHIP 3 SOUTH, RANGE 64 WEST, 6TH P.M., AND SECTION 25, TOWNSHIP 3 SOUTH, RANGE 65 WEST, 6TH P.M., UNNAMED FIELD, ADAMS COUNTY, COLORADO

DOCKET NO. 170500292

TYPE: SPACING

AFFIDAVIT OF MAILING

STATE OF COLORADO)	
CITY AND COUNTY OF DENVER)ss.)	
I, Jamie L. Jost, of lawful age, and declare that I am the attorney for Conoday of March 2017, I caused a copy of United States Mail, postage prepaid, a Affidavit.	coPhillips Company f the attached Appli	and that on or before the teation to be deposited in the ties listed on Exhibit A to this
Subscribed and sworn to before me this	1th day of March 2	2017.
Witness my hand and official seal.		KYLIE CHUPP
[SEAL]		NOTARY PUBLIC STATE OF COLORADO NOTARY ID 20164017699
My commission expires:	,2000	MY COMMISSION EXPIRES MAY 6, 2020
Notary Public	ep-	

Exhibit A

COPC Yellow 3-64 30 3-65 25 - SP

Ambrose J. Nunes Unknown Address

Isace B. Haviland and Lucile S. Haviland or their heirs and devisees 507 Lake Shore Drive Michigan City, IN 46360

ConocoPhillips Company 600 N. Dairy Ashford Houston, TX 77079

Bison Oil & Gas, LLC 999 18th Street, Suite 3370 Denver, CO 80202

Bison Exploration, LLC P.O. Box 1168 Denver, CO 80201

Burlington Resources Oil & Gas Company LP 600 N. Dairy Ashford Houston, TX 77079

Summit Petroleum Corporation 602 North Baird Street, Suite 200 Midland, TX 79701

Brandon 1983 Drilling Program 7 Fairview Terrace Maplewood, NJ 07040

Alexander 1983 Drilling Program 240 West 35th Street New York, NY 10001

McCulliss Resources Co., Inc. 620 17th Street, Suite 1320 Denver, CO 80293

George G. Vaught, Jr. P.O. Box 13557 Denver, CO 80201

Anadarko Land Corporation Attn: Manager/Land Administrator P.O. Box 173779 Denver, CO 80217-3779 Property Reserve Inc.
Attn: Energy Group Manager
Natural Resource Services
SPD Real Estate
50 East North Temple Street, 12th Floor
Salt Lake City, UT 84150-0012

Prosper Farms Investments, LLC 5641 N. Broadway Denver, CO 80216

Margaret E. Hansen (fka Margaret Van Pelt) 31350 County Road 91 Ramah, CO 80832

Margaret E. Hansen (fka Margaret Van Pelt) P.O. Box 220 Watkins, CO 80137

Box Elder Investment Co., a Limited Partnership 9600 East Arapahoe Road, Suite 260 Englewood, CO 80112

City of Aurora, Colorado, a Colorado municipal corporation 15151 East Alameda Parkway, 3rd Floor Aurora, CO 80012-1553

CCA Consulting, Inc., a Colorado Corporation 51C W. Main St. Frisco, CO 80443

CCA Consulting, Inc., a Colorado Corporation P.O. Box 947 Frisco, CO80443

Ronald R. Van Pelt 31350 County Road 91 Ramah, CO 80832

Ronald R. Van Pelt P.O. Box 220 Watkins, CO 80137 St. John The Baptist Serbian Orthodox Church 9305 West Cedar Avenue
Lakewood, CO 80226
Karen Mae Layman, a married woman dealing in her sole and separate property, as an heir to the Estate of Louis E. Swenson, deceased and as an heir to the Estate of Clarice J. Swenson, deceased 502 Rifle Way
Broomfield, CO 80020-6061

Louis Stephen Swenson, a single man dealing in his sole and separate property, as an heir to the Estate of Louis E. Swenson, deceased and as an heir to the Estate of Clarice J. Swenson, deceased 105 Breanna Lane Dolores, CO 81323

Dennis Malcolm Swenson, a married man dealing in his sole and separate property, as an heir to the Estate of Louis E. Swenson, deceased and as an heir to the Estate of Clarice J. Swenson, deceased 5360 Lakeshore Drive Littleton, CO 80123

State of Colorado Attn: State Board of Land Commissioners 1127 Sherman Street, Suite 300 Denver, CO 80203

American Storage Centers, Inc. c/o Cornelia Y. White 615 East Platte Avenue Fort Morgan, CO 80701

American Storage Centers, Inc. 7636 E. Highland Ave Scottsdale, AZ 85251

William A. Young and Madeline S. Young, Trustees of the William A. Young and Madeline S. Young Revocable Living Trust, a/k/a The William A. Young Family Trust 615 East Platte Avenue Fort Morgan, CO 80701

William A. Young and Madeline S. Young, Trustees of the William A. Young and Madeline S. Young Revocable Living Trust, a/k/a The William A. Young Family Trust 7636 E. Highland Ave Scottsdale, AZ 85251 Kent Kuster Colorado Department of Public Health & Environment 4300 Cherry Creek Drive South Denver, CO 80246-1530

Brandon Marette Energy Liaison Colorado Parks and Wildlife Northeast Regional Office 6060 Broadway Denver, CO 80216

Jennifer Rutter
Adams County
Community & Economic Development
4430 South Adams County Pkwy.
Brighton, CO 80601-8218

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

IN THE MATTER OF THE APPLICATION OF CONOCOPHILLIPS COMPANY FOR AN ORDER TO 960-ACRE **ESTABLISH** AN **APPROXIMATE** FOR THE DRILLING AND SPACING UNIT DRILLING OF UP TO TWO (2) HORIZONTAL WELLS WITH WELL LOCATION RULES FOR THE SECTION FORMATION IN NIOBRARA TOWNSHIP 3 SOUTH, RANGE 64 WEST, 6TH P.M., AND SECTION 25, TOWNSHIP 3 SOUTH, RANGE 65 WEST, 6TH P.M., UNNAMED FIELD, ADAMS COUNTY, COLORADO

CAUSE NO.

DOCKET NO.

TYPE: SPACING

CONOCOPHILLIPS COMPANY'S MOTION FOR AN ORDER OF SERVICE BY PUBLICATION

COMES NOW ConocoPhillips Company, Operator No. 19160 ("COPC" or "Applicant"), by its attorneys, Jost Energy Law, P.C., and files this motion for an order of service by publication ("Motion") to the Colorado Oil and Gas Conservation Commission ("Commission" or "COGCC"). In support of its Motion, COPC states the following:

A. Factual and Procedural History.

- 1. COPC, as Applicant herein, is a corporation duly authorized to conduct business in the State of Colorado, is a registered operator in good standing with the Commission, and is an interested party in the subject matter of the above-referenced Docket as the applicant and owner of certain leasehold interests and/or operator in the Application Lands described below.
- 2. The Commission has jurisdiction over the subject matter embraced in said Docket, and of the parties interested therein, and jurisdiction to promulgate the hereinafter prescribed order pursuant to the Oil and Gas Conservation Act.
- 3. Rule 318.a. of the Rules and Regulations of the Oil and Gas Conservation Commission requires that, on unspaced lands, wells drilled in excess of 2,500 feet in depth be located not less than 600 feet from any lease line, and located not less than 1,200 feet from any other producible or drilling oil or gas well when drilling to the same common source of supply. The Application Lands are subject to Rule 318.a. for the Niobrara Formation.
- 4. On March 2, 2017, COPC filed a verified application pursuant to §34-60-116, C.R.S. for an order (1) establishing an approximate 960-acre drilling and spacing unit for the W½ of Section 30, Township 3 South, Range 64 West, 6th P.M., and Section 25, Township 3 South, Range 65 West, 6th P.M., and allowing up to two (2) horizontal wells in the unit in order to efficiently and economically develop and recover the oil, gas and associated hydrocarbons from

of the Niobrara Formation in the unit, (2) providing that the treated interval any horizontal well shall be no closer than 460 feet from the boundaries of the unit and not less than 150 feet from the treated interval of another well within the unit, and authorizing up to one (1) well pad in the unit, or adjacent thereto, unless an exception is granted by the Director, (3) finding that an approximate 960-acre drilling and spacing unit for the development of the Niobrara Formation on the Application Lands will prevent waste, protect correlative rights, and maximize the efficient and economic production of the Niobrara Formation in the Application Lands, and (4) for such other findings and orders as the Commission may deem proper or advisable in this matter.

- 5. On or before March 8, 2017, COPC will serve copies of the Application on all interested parties to the Application as defined in Rule 507.b.(1) and pursuant to Rule 503.e. (the "Interested Parties" or individually "Interested Party").
- 6. Upon reasonable due diligence, which is further detailed herein, COPC was unable to find address information for one Interested Party, Ambrose J. Nunes. COPC listed the contact information for Mr. Nunes as "Address Unknown" in its Application.
- 7. The Commission has determined that in order for publication by notice to be effective as to persons with unknown addresses, the Applicant must first comply with Colorado Rule of Civil Procedure 4(g), which authorizes service of process by publication only after the Applicant files a verified motion with the Commission detailing Applicant's attempts to provide actual notice of the proceedings and the Commission grants the motion.

B. Standard of Review.

1. C.R.S. 34-60-108(4) provides:

"Any notice required by this article, except as provided in this section, shall be given by the commission either by mailing a copy thereof, postage prepaid, to the last known mailing address of the person to be given notice, or by personal service. In addition, the commission shall cause one publication of such notice, at least ten days prior to the hearing, in a newspaper of general circulation in the city and county of Denver and in a newspaper of general circulation in the county where the land affected, or some part thereof, is situated...In all cases where there is an application for the entry of a pooling order or unitization order...notice of the hearing to be held on such application or complaint shall be served on the interested parties either by mail as provided in this subsection (4) or in the same manner as is provided in the Colorado rules of civil procedure for the service of process in civil actions in the district courts of this state."

- 2. Commission Rule 519 states that "[t]he Colorado Rules of Civil Procedure apply to Commission proceedings unless they are inconsistent with Commission Rules or the Colorado Oil and Gas Conservation Act."
 - 3. C.R.C.P. Rule 4(g) provides:

"Except as otherwise provided by law, service by mail or publication shall be allowed only in actions affecting specific property or status or other proceedings in rem. When service is by publication, the complaint need not be published with the summons. The party desiring service of process by mail or publication under this section (g) shall file a motion verified by the oath of such party or of someone in the party's behalf for an order of service by mail or publication. It shall state the facts authorizing such service, and shall show the efforts, if any, that have been made to obtain personal service and shall give the address, or last known address, of each person to be served or shall state that the address and last known address are unknown. The court, if satisfied that due diligence has been used to obtain personal service or that efforts to obtain the same would have been to no avail, shall:

- (1) Order the party to send by registered or certified mail a copy of the process addressed to such person at such address, requesting a return receipt signed by the addressee only. Such service shall be complete on the date of the filing of proof thereof, together with such return receipt attached thereto signed by such addressee, or
- (2) Order publication of the process in a newspaper published in the county in which the action is pending. Such publication shall be made once each week for five successive weeks. Within 14 days after the order the party shall mail a copy of the process to each person whose address or last known address has been stated in the motion and file proof thereof. Service shall be complete on the day of the last publication. If no newspaper is published in the county, the court shall designate one in some adjoining county."

C. <u>COPC's Due Diligence in Attempting to Locate the Unknown IPs.</u>

In attempting to locate a last known address for Ambrose J. Nunes, COPC reviewed recorded documents and a mineral ownership report based on records obtained from the Adams County Clerk and Recorder's office from patent through August 19, 2016 in addition to the records of Heritage Title from patent through August 17, 2016. In addition, COPC utilized the website Ancestry.com and LexisNexis Accurint public record search service, and a general internet search. The last date that Mr. Nunes appeared in the record is in 1943.

As of the date of this Motion, COPC is unable to find a last known address for Mr. Nunes nor is COPC able to find a last known address for any confirmed heirs of Mr. Nunes.

D. Relief Requested

WHEREFORE, COPC respectfully requests the following relief:

1. That the Commission order publication of the process in the Application subject to the above-referenced Docket in a newspaper published in Denver County, Colorado.

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

E. Reservation of Rights

COPC reserves its right to supplement this Motion.

Dated: March 2, 2017

Respectfully submitted,

CONOCOPHILLIPS COMPANY

Jamie L. Jost

Kelsey H. Wasylenky

Jost Energy Law, P.C. 1401 17th Street, Suite 370

Denver, CO 80202

720-362-0875

jjost@jostenergylaw.com

kwasylenky@jostenergylaw.com

Applicant's Address: ConocoPhillips Company Attn: Ashlee Hansen 600 N. Dairy Ashford Road Houston, TX 77079-1069

VERIFICATION

STATE OF TEXAS)
) ss.
COUNTY OF HARRIS)

Ashlee Hansen, Senior Landman with ConocoPhillips Company, upon oath deposes and says that she has read the foregoing Motion for an Order of Service by Publication and that the statements contained therein are true to the best of her knowledge, information and belief.

CONOCOPHILLIPS COMPANY

Ashlee Hansen Senior Landman

Subscribed and sworn to before me this <u>2</u> day of March, 2017, by Ashlee Hansen, Senior Landman for ConocoPhillips Company.

Witness my hand and official seal.

KATHA VALIGURA
Notary Public, State of Texas
Comm. Expires 07-11-2018
Notary ID 1208603-9

My commission expires: 7-11-2018

Notary Public