

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

IN THE MATTER OF THE APPLICATION OF	)	CAUSE NO. 407
EXTRACTION OIL & GAS, INC., FOR AN ORDER	)	
ESTABLISHING AN APPROXIMATE 2,560-ACRE	)	DOCKET NO.
DRILLING AND SPACING UNIT FOR SECTIONS 5, 6,	)	
7, AND 8, TOWNSHIP 7 NORTH, RANGE 67 WEST, 6 <sup>TH</sup>	)	TYPE: Spacing
P.M., AND AUTHORIZING THE DRILLING OF	)	
FORTY-FOUR HORIZONTAL WELLS WITHIN SAID	)	
UNIT, FOR PRODUCTION FROM THE CODELL-	)	
NIOBARRA FORMATION, WATTENBERG FIELD,	)	
WELD COUNTY, COLORADO	)	

**APPLICATION**

Extraction Oil & Gas, Inc. ("Extraction" or "Applicant"), Operator #10459, by and through its attorneys, The Shanor Group LLC, respectfully submits this Application to the Oil and Gas Conservation Commission of the State of Colorado ("Commission" or "COGCC") for an order establishing an approximate 2,560-acre drilling and spacing unit for Sections 5, 6, 7, and 8, Township 7 North, Range 67 West, 6<sup>th</sup> P.M., and authorizing the drilling of 44 horizontal wells within the proposed unit, for the production of oil, gas and associated hydrocarbons from the Codell-Niobrara Formation. In support of this Application ("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 COGCC.
2. Applicant owns substantial leasehold interests in the below-listed lands ("Application Lands"):

Township 7 North, Range 67 West, 6<sup>th</sup> P.M.  
Section 5: All  
Section 6: All  
Section 7: All  
Section 8: All

3. On April 27, 1988, 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 Cretaceous Age Formations from the base of the Dakota Formation to the surface. Rule 318A supersedes all prior Commission drilling and spacing orders affecting well location and density requirements of Greater Wattenberg Area ("GWA") wells. On December 5, 2005, Rule 318A was amended, among other things, 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, among other things, to address drilling of horizontal wells. The Application Lands are subject to Rule 318A for the Codell-Niobrara Formation.

4. Applicant herein seeks the establishment of an approximate 2,560-acre drilling and spacing unit for the Application Lands, and the authority to drill 44 horizontal wells within the proposed unit, for the production of oil, gas and associated hydrocarbons from the Codell-Niobrara Formation. The Codell and Niobrara Formations underlying the Application Lands are a common source of supply. Further, the establishment of the drilling and spacing unit is not smaller than the area which can be efficiently and economically drained by the drilling of the requested horizontal wells to be drilled within said unit.

5. Applicant herein requests the treated intervals of any horizontal well permitted under this Application should be located not less than 460 feet from proposed unit boundaries and not less than 150 feet from any other well producing or drilling from the Codell-Niobrara Formation, without exception being granted by the Director.

6. Applicant herein requests any permitted well drilled under this Application should be located: (1) on lands overlying the drilling and spacing unit from either inside a Rule 318A GWA drilling window or lands outside the GWA windows with landowner consent, absent exception granted by the Director, or (2) on lands outside the drilling and spacing unit with landowner consent, absent exception granted by the Director. Further, Applicant requests that permitted wells under this Application should be drilled from no more than eight multi-well pads.

7. 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 COGCC rules.

8. Applicant requests that relief granted as result of this Application should be effective on oral order by the Commission, and Applicant hereby agrees to be bound by the oral order of the Commission.

9. That the names and addresses of interested parties (owners within the Application Lands) according to the information and belief of the Applicant are set forth in Exhibit B attached hereto. The Applicant shall submit a certificate of service for the Application within seven days as required by Rule 503.e.

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

A. Establishing an approximate 2,560-acre drilling and spacing unit for the Application Lands, and authorizing the drilling of 44 horizontal wells within the proposed unit, for the production of oil, gas and associated hydrocarbons from the Codell-Niobrara Formation, with the treated intervals of any horizontal well permitted under this Application located not less than 460 feet from unit boundaries and not less than 150 feet from any other well producing or drilling from the Codell-Niobrara Formation, without exception being granted by the Director.

B. Limiting the drilling of any permitted wells under this Application to no more than eight multi-well pads either: (1) on lands overlying the drilling and spacing unit from either inside a Rule 318A GWA drilling window or lands outside the GWA windows with landowner consent, absent exception



granted by the Director, or (2) on lands outside the drilling and spacing unit with landowner consent, absent exception granted by the Director.

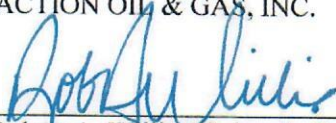
C. For such other findings and orders as the Commission may deem proper or advisable given the premises.

DATED this 24<sup>th</sup> day of May, 2017.

Respectfully submitted,

EXTRACTION OIL & GAS, INC.

By:

  
Robert A. Willis (Colorado Bar #26308)  
The Shanor Group LLC  
600 Seventeenth Street, Suite 2800  
Denver, CO 80202  
(303) 995-5120

Applicant's Address:

370 Seventeenth Street, Suite 5300  
Denver, CO 80202

VERIFICATION

STATE OF COLORADO

)

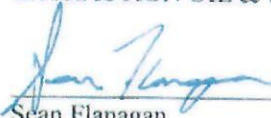
) ss.

CITY & COUNTY OF DENVER

)

Sean Flanagan, 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.

EXTRACTION OIL & GAS, INC.


  
Sean Flanagan

Subscribed and sworn to before me this 23<sup>rd</sup> day of May, 2017, by Sean Flanagan, Landman for Extraction Oil & Gas, Inc.

Witness my hand and official seal.

My commission expires:

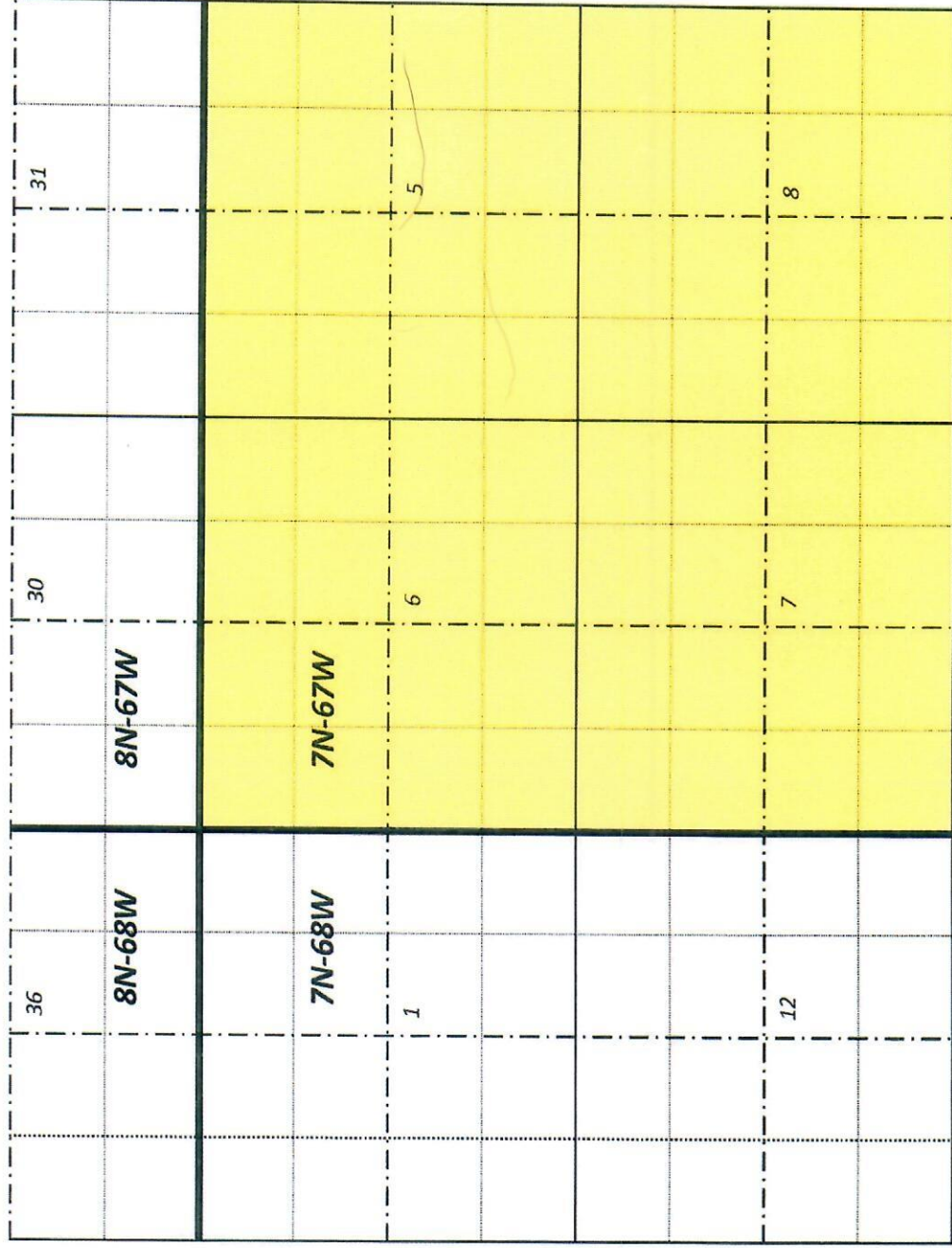
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Notary Public

**Exhibit A**  
Application Map

Township 7 North, Range 67 West, 6<sup>th</sup> P.M.

- Application Lands



## EXHIBIT B

### INTERESTED PARTIES

Robert Willis, Esq.  
The Shanor Group  
600 17<sup>th</sup> Street, Suite 2800  
Denver, CO 80202

Extraction Oil & Gas, LLC  
Attn: Sean Flanagan  
370 17<sup>th</sup> Street, Suite 5300  
Denver, CO 80202

Troy Swain  
Weld County  
Dep't of Planning Services  
1555 North 17<sup>th</sup> Ave.  
Greeley, CO 80631

Kent Kuster  
CDPHE  
4300 Cherry Creek Dr. South  
Denver, CO 80246-1530

Colo. Parks & Wildlife  
Attn: Brandon Marette  
6060 Broadway  
Denver, CO 80216

Kerr-McGee Oil and Gas  
Onshore LP  
1099 18th St., Suite 1800  
Denver, CO 80202

Connie J. Schneider and  
Patrick J. Micolichek  
41678 WCR 13  
Ft. Collins, CO 80524

Bill H. and Louise Maria Cheng  
6514 County Rd. 86  
Ft. Collins, CO 80524

Sheila M. and Jerry R. Roth  
41285 County Rd. 15  
Ft. Collins, CO 80524

Kenneth J. and Sue K.  
Kerchenfaut  
41490 WCR 13  
Ft. Collins, CO 80524

North Weld County Water  
District, A Political Subdivision  
of the State of Colorado  
P.O. Box 56  
Lucerne, CO 80646

Ted V. and Jamie M. Simmons  
41494 County Rd. 13  
Ft. Collins, CO 80524

Lisa Brough  
6176 Pheasant Crest Drive  
Ft. Collins, CO 80524

Douglas and Denise Nagle  
6158 Pheasant Crest Drive  
Ft. Collins, CO 80524

Bolton Family Trust; Barry A.  
and Sheryll L. Bolton, Trustees  
19943 Weld County Rd. 15  
Johnstown, CO 80534

Robert and Barbara Winick  
6622 Weld County Rd 84  
Ft. Collins, CO 80524

Randy and Sandra Fiscus  
40701 Remington Rd  
Ft. Collins, CO 80524

Roger and Kay Dechairo  
601 Gait Cr.  
Ft. Collins, CO 80524

Dyecrest Dairy LLC  
1137 North County Rd 1  
Ft. Collins, CO 80524

GBP, LLC  
PO Box 1986  
Ft. Collins, CO 80522

Extraction Oil & Gas LLC  
1888 Sherman St., Suite 200  
Denver, CO 80203

Land Energy Inc.  
1615 California St  
Denver, CO 80202

DJ Resources, LLC  
1600 Broadway, Suite 1960  
Denver, CO 80202

HRM Resources II, LLC 410  
17th Street, Suite 1100  
Denver, CO 80202

Poudre Valley Rural Electric  
Association, Inc.  
P.O. Box 272550  
Ft. Collins, CO 80527

Stacy A. Temples and  
Howard S. Ramsdell  
P.O. Box 2490  
Ft. Collins, CO 80522

Stephen A. Nisbet  
P.O. Box 4110  
1298 Main Street  
Windsor, CO 80550



William D. Fell, Jr.  
7880 County Road 84  
Ft. Collins, CO 80524

Glenn Edwin Jr. and Carolee W.  
Parker  
7880 County Road 84  
Ft. Collins, CO 80524

The Evelyn M. Clarke Trust dated  
4/20/1991, with Evelyn M.  
Clarke as Trustee  
1401 Lindenwood Dr.  
Ft. Collins, CO 80524

The Department of Highways,  
State of Colorado  
4201 E. Arkansas Ave.  
Denver, CO 80222

The Water Supply and Storage  
Company  
P.O. Box 1584  
Ft. Collins, CO 80521

Elizabeth Bullard  
3202 Hearthfire Dr.  
Ft. Collins, CO 80524

Aleta Miller  
40610 County Rd 15  
Ft. Collins, CO 80524

Note Acquisitions Inc.  
24211 Weld County Rd 44  
LaSalle, CO 80645

Shawn A. and Tracie W.  
Wotowey  
7496 Weld County Rd 84  
Ft. Collins, CO 80524

Barbara J. Douglas Trust  
7392 Weld County Rd 84  
Ft. Collins, CO 80524

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WELD COUNTY, COLORADO	)	

**CERTIFICATE OF MAILING**

I, Kara Konstanty, hereby certify that on or before the 30th day of May, 2017, I caused a copy of the Application in the above referenced caption to be deposited in the United States Mail, postage prepaid, addressed to the parties listed on Exhibit B of the Application.

DATED this 24th day of May, 2017.

  
Kara Konstanty  
The Shanor Group LLC  
600 17<sup>th</sup> Street, Suite 2800  
Denver, CO 80202



BEFORE THE OIL AND GAS CONSERVATION COMMISSION  
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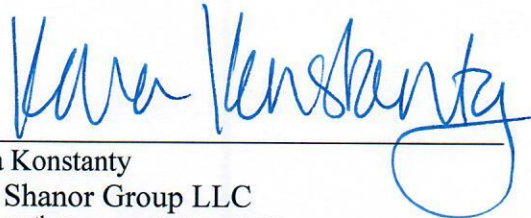
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NIOBRARA FORMATION, WATTENBERG FIELD,	)	
WELD COUNTY, COLORADO	)	

**SUPPLEMENTAL CERTIFICATE OF MAILING**

I, Kara Konstanty, hereby certify that on the 6th day of June, 2017, I caused a copy of the Application in the above referenced Docket Number to be deposited in the United States Mail, postage prepaid, addressed to the following additional Interested Party:

Synergy Resources Corp.  
1675 Broadway, Suite 2600  
Denver, CO 80202

DATED this 6th day of June, 2017.



Kara Konstanty  
The Shanor Group LLC  
600 17<sup>th</sup> Street, Suite 2800  
Denver, CO 80202