



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

IN THE MATTER OF THE APPLICATION OF)	Cause No. 407
PETRO OPERATING COMPANY LLC FOR)	
AN ORDER ESTABLISHING AN)	Docket No. 170700473
APPROXIMATE 480-ACRE DRILLING AND)	
SPACING UNIT AND ESTABLISHING WELL)	Type: SPACING
LOCATION RULES APPLICABLE TO THE)	
DRILLING AND PRODUCING OF WELLS)	
FROM THE CODELL AND NIOBRARA)	
FORMATIONS COVERING CERTAIN LANDS)	
IN TOWNSHIP 5 NORTH, RANGE 68 WEST,)	
6TH P.M., LARIMER COUNTY, COLORADO.)	

APPLICATION

Petro Operating Company LLC ("Applicant"), Operator No. 10583, 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 establishing an approximate 480-acre drilling and spacing unit and establishing well location rules applicable to the drilling of wells and producing of oil, gas and associated hydrocarbons from the Codell and Niobrara Formations covering certain lands in Larimer County, Colorado. In support of its Application, Applicant states as follows:

1. Applicant is a Colorado limited liability company duly authorized to conduct business in the State of Colorado.
2. Applicant owns leasehold interests in the following lands ("Application Lands"):

Township 5 North, Range 68 West, 6th P.M.
Section 34: SE¼
Section 35: S½

A reference map of the Application Lands is attached hereto.

3. 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 are 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. The Application Lands are subject to this Rule.

4. There are directional wells within the above-described 480-acre drilling and spacing unit producing from, *inter alia*, the Codell and Niobrara Formations. Applicant states those wells will not be affected by the proposed spacing unit and order and will remain subject to applicable Commission rules and spacing orders such that proceeds from the sale of oil or gas from those wells shall continue to be distributed based on the applicable rules and spacing orders.

5. To promote efficient drainage of the Codell and Niobrara Formations within the Application Lands and to avoid waste, the Commission should establish an approximate 480-acre drilling and spacing unit covering the Application Lands described below for production of oil, gas and associated hydrocarbons from the Codell and Niobrara Formations:

Township 5 North, Range 68 West, 6th P.M.

Section 34: SE $\frac{1}{4}$

Section 35: S $\frac{1}{2}$

6. Applicant is requesting to drill and complete one (1) horizontal well in each of the above-described drilling and spacing units with the option to drill and complete up to a total of eight (8) horizontal wells in each of the units for production of oil, gas and associated hydrocarbons from the Codell and Niobrara Formations in the Application Lands with the surface location to be located at a legal location in the above-described drilling and spacing units or on adjacent lands. Applicant further requests that the treated interval of each wellbore be no closer than 150 feet from the treated interval of any other wellbore producing from the Codell and/or Niobrara formations, and no closer than 460 feet from the unit boundary, without exception being granted by the Director.

7. Applicant requests authority to drill only those wells necessary to determine the well density which allows the most efficient drainage of the Codell and Niobrara Formations, prevents waste, does not adversely affect correlative rights, and assures the greatest ultimate recovery of oil, gas and associated hydrocarbon substances from the Codell and Niobrara Formations. The proposed drilling and spacing units are not smaller than the maximum area that can be economically and efficiently drained by the authorized wells in such drilling and spacing units. Applicant further maintains that wells drilled in the above-proposed drilling and spacing units will have no adverse effect on correlative rights of adjacent owners. Applicant states that the proposed drilling and spacing units and number of wells will not have an adverse effect on public, health, safety, and welfare.

8. Applicant states that the wells will be drilled from one well pad located within the units and/or from a legal location on adjacent lands, without exception granted by the Director.

9. 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 original 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 25th day of May, 2017.

Respectfully submitted,

WELBORN SULLIVAN MECK & TOOLEY, P.C.

By: 

Joseph C. Pierzchala
Welborn Sullivan Meck & Tooley, P.C.
Attorneys for Applicant
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Denver, CO 80202
303-830-2500
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Applicant's Address:

Petro Operating Company LLC
9033 East Easter Place, Suite 112
Centennial, CO 80112-2105
Attn: Erin B. Parker, Manager
Phone: 303-475-5640

EXHIBIT A

INTERESTED PARTIES

Larimer County Community Development

Robert "Terry" Gilbert 200 W. Oak Street, Suite 3100
Suite 3100
Fort Collins, CO 80521

Town of Johnstown

Roy Lauricello
P.O. Box 609
Johnstown, CO 80534

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

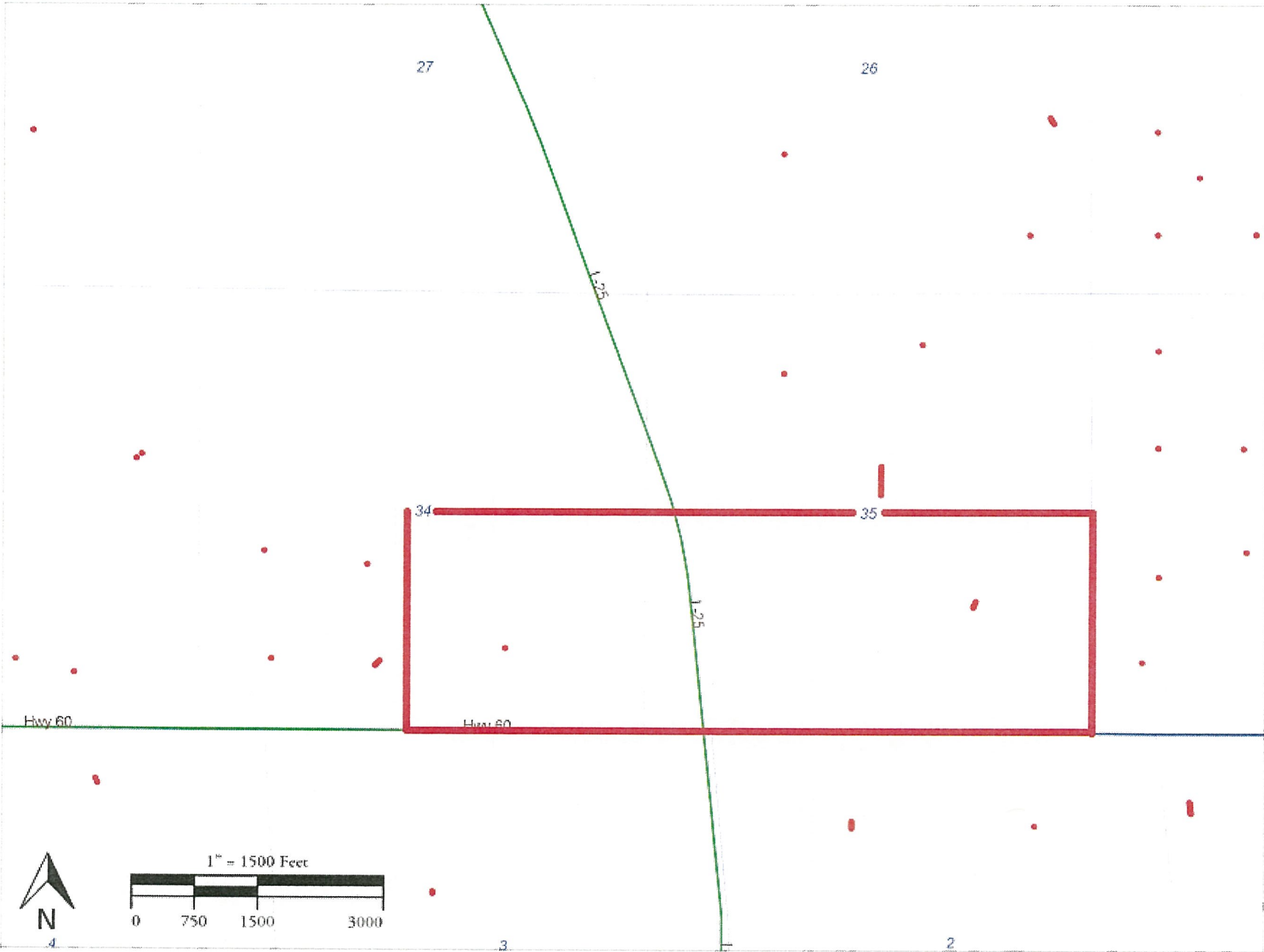
EXHIBIT A

INTERESTED PARTIES

ROGER D. TARUM
DAVID R. TARUM
LARRY P. TARUM
STANLEY A. TARUM
NANCY M. BARLEBAN
JOHNSTOWN LAND PARTNERS II LTD
TAMARA AUSTIN
MURDOCK R SCOTT TRUST
7 CLOVER INC
J AND T LLC
STEAN LLC
MARGARET JANE HAUN, TRUSTEE
OF THE MARGARET JANE HAUN
TRUST
JUDITH D. JEFFERS, TRUSTEE OF
THE JUDITH D. JEFFERS TRUST
NORMAN C. REICHARDT
TENERGY CORP.
WITSWATERSTRAND, LLC
DFI HOLDINGS, LLLP
PHILLIP B. BEARLY
SHIRLEY S. YODER
ARLIN BEARLY
BONNIE J. MEANS
AMBER LEI WEBB
SARA BRYNNE DEETER
MEGAN ANN KELLER
MELISSA MARIE BEARLY
LYNDSEY BROOKE CALENTINE
CODY ROSS MEANS
LESLIE DAWN MEANS
KARA MICHELL YODER
AARON CLAYTON YODER
KIMBERLY ROSE FUNCAN
BRIAN CURTIS BEARLY
ADAM JASON BEARLY

RANSOM FARM PARTNERSHIP, LLLP
WYOCO ROYALTY PARTNERS, LLC
ROBERTA L. SMITH
SWAN EXPLORATION, LLC
LISA SULLINGER
WILLIAM HAYDEN
BRENDA CALFEE
ROSE ANN TSCHEUSCHNER
LINDA WISE
BRENDA JIMENEZ
STEVE GRAHAM
ELIZABETH FAYE CORWIN
M&J DAIRY, LLC
ESTATE OF GERRIT HOOGLAND,
DEC'D
ESTATE OF HENRIETTA HOOGLAND,
DEC'D
DONA LEONA ANSON
MELVIN FLASCHENRIEM AND JOANN
FLASCHENRIEM
EXTRACTION OIL & GAS
BLACKPOOL INVESTMENTS
AK RESOURCES, LLC.
LAZARO HERNANDEZ
THEODORE C BAUM JR
THOMAS DAVIS
EDWIN D SHARMAN
JACOB R DAVIS
THOMAS R DAVIS
KERR-MCGEE OIL & GAS ONSHORE
LP
APOLLO OPERATING, LLC
JESSE L. WHITE, TRUSTEE OF THE
JESSEL L. WHITE TRUST
ROCKIES EXPLORATION LLC
SYNERGY RESOURCES CORP.

SE1/4 of Sec. 34 and S1/2 of Sec. 35, T5N, R68W



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AFFIDAVIT OF MAILING

STATE OF COLORADO §
CITY AND COUNTY OF DENVER §

I, Joseph C. Pierzchala, of lawful age, and being first duly sworn upon my oath, state and declare:

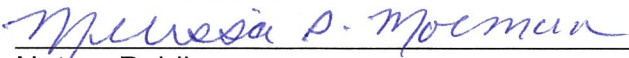
That I am the attorney for Petro Operating Company LLC and that on or before June 1, 2017, I caused a copy of the attached Application to be deposited in the United States mail, postage prepaid, addressed to the parties listed on Exhibit A to the Application.



Joseph C. Pierzchala

Subscribed and sworn to before me June 1, 2017.

Witness my hand and official seal.



Notary Public

My commission expires: 8/29/2017

