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COGCC

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)	Docket No. 170700491
560-ACRE DRILLING AND SPACING UNIT)	
AND AN APPROXIMATE 720-ACRE)	Type: SPACING
DRILLING AND SPACING UNIT AND)	
ESTABLISHING WELL LOCATION RULES)	
APPLICABLE TO THE DRILLING AND)	
PRODUCING OF WELLS FROM THE)	
CODELL AND NIOBRARA FORMATIONS)	
COVERING CERTAIN LANDS IN TOWNSHIP)	
6 NORTH, RANGE 67 WEST, 6TH P.M.,)	
WELD COUNTY, COLORADO.)	

APPLICATION

Extraction Oil & Gas, Inc. ("Applicant"), Operator No. 10459, 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 560-acre drilling and spacing unit, establishing an approximate 720-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 Weld County, Colorado. In support of its Application, Applicant states as follows:

1. Applicant owns leasehold interests in the following lands ("Application Lands"):

DSU No. 1

Township 6 North, Range 67 West, 6th P.M.

Section 2: N½

Section 3: NE¼, E½NW¼

DSU No. 2

Township 6 North, Range 67 West, 6th P.M.

Section 2: S½

Section 3: S½

Section 4: E½SE¼

A reference map of the Application Lands is attached hereto.

2. 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.

3. On January 27, 2014, the Commission entered Order No. 407-934, which pooled all interests in a designated Rule 318A horizontal wellbore spacing unit for the Simonsen 1i-421 Well (API No. 05-123-35976), which includes the $W\frac{1}{2}W\frac{1}{2}$ of Section 1, $E\frac{1}{2}E\frac{1}{2}$ of Section 2, $NE\frac{1}{4}NE\frac{1}{4}$ of Section 11, and the $NW\frac{1}{4}NW\frac{1}{4}$ of Section 12, Township 6 North, Range 67 West, 6th P.M. (the "Simonsen WSU") for the production of oil and gas from the Codell Formation. The Simonsen WSU will not be affected by the proposed drilling and spacing unit and will remain subject to Order No. 407-934 such that proceeds from the sale of oil or gas from that well shall continue to be distributed based on Order 407-934, and the Simonsen WSU will not share in production from the proposed drilling and spacing units.

4. On December 8, 2015, the Commission entered Order No. 407-1554, which pooled all interests in two designated Rule 318A horizontal wellbore spacing units for the Tailholt FD 11-002HN Well (API No. 05-123-38616) and the Tailholt FD 11-039HN Well (API No. 05-123-38579), which include the $S\frac{1}{2}S\frac{1}{2}$ of Section 2 and the $N\frac{1}{2}N\frac{1}{2}$ of Section 11, Township 6 North, Range 67 West, 6th P.M. (the "Tailholt WSUs"). The Tailholt WSUs will not be affected by the proposed drilling and spacing unit and will remain subject to Order No. 407-1554 such that proceeds from the sale of oil or gas from those wells shall continue to be distributed based on Order 407-1554, and the Tailholt WSUs will not share in production from the proposed drilling and spacing units.

5. On January 26, 2016, the Commission entered Order No. 407-1612, which subjected additional parties to Order No. 407-934 for the Simonsen WSU.

6. Applicant has drilled, tested and completed wells in the Codell and Niobrara Formations on lands in close proximity to the Application Lands.

7. There are two directional wells within the above-described drilling and spacing units producing from the Codell and/or Niobrara Formations. Applicant is the Operator these wells, which Applicant intends to plug and abandon pursuant to the Commission Rules as soon as production is established in the requested drilling and spacing unit from the requested horizontal wells.

8. To promote efficient drainage of the Codell and Niobrara Formations within the Application Lands and to avoid waste, the Commission should establish an

approximate 560-acre drilling and spacing unit and an approximate 720-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:

DSU No. 1

Township 6 North, Range 67 West, 6th P.M.

Section 2: N $\frac{1}{2}$

Section 3: NE $\frac{1}{4}$, E $\frac{1}{2}$ NW $\frac{1}{4}$

DSU No. 2

Township 6 North, Range 67 West, 6th P.M.

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

Section 3: S $\frac{1}{2}$

Section 4: E $\frac{1}{2}$ SE $\frac{1}{4}$

9. 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 unit or on adjacent lands.

10. For DSU No. 1, Applicant 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 northern and eastern unit boundaries and 150 feet from the southern and western unit boundaries, without exception being granted by the Director. Applicant is the working interest owner of the tracts adjacent to the southern and western unit boundaries.

11. For DSU No. 2, Applicant 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 southern and eastern unit boundaries and 150 feet from the northern and western unit boundaries, without exception being granted by the Director. Applicant is the working interest owner of the tracts adjacent to the northern and western unit boundaries.

12. 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.

13. 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.

14. 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, 507.b.1, and 507.b.5.

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
1125 17th Street, Suite 2200
Denver, CO 80202
303-830-2500
jpierzchala@wsmtlaw.com

Applicant's Address:

Extraction Oil & Gas, Inc.
370 17th Street, Suite 5300
Denver, CO 80202
Attn: Ellen Brown, Landman
Phone: 720-557-8300

EXHIBIT A

INTERESTED PARTIES

Weld County Department of Planning Services

Troy Swain
1555 North 17th Avenue
Greeley, CO 80631

Town of Severance

John C. Holdren
231 West 4th Avenue,
P.O. Box 339
Severance, CO 80546

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

DSU No. 1: Section 2: N½ and Section 3: NE¼, E½NW¼, Township 6 North, Range 67 West, 6th P.M.

Sierra J. Moore
Ruth Barsch
Mona Kay Norton
Bruce Edward Lind
Alan William Lind
Heide R. Schupe
Luke L. Lind
Steven H. Lind
Janice K. Lind
Kenneth F. Lind
Kim Lind-Dorsey, as Personal
Representative of the Estate of Larry H.
Lind
Daniel F. Lind
Timothy Lind
David Lind
Polly Ann Kurtz n/k/a Polly Ann Winner
Corey J. Bushell
Melissa S. Eagan and Christopher H.
Eagan, joint tenants
Linda J. Myklestad
Christiana Trust, a Division of Wilmington
Savings Fund Society, FSB, not in its
individual capacity but as Trustee of the
ARLP Trust 2
Robert Frohman and Bruce R. Frohman,
joint tenants
Lucas W. Krakow and Moranda R.
Krakow, joint tenants
Bertrand B. Kre
Brenda K. Scott
Cortney L. Alvarez
Bradley Poppie
Dustin R. Davis
Range View Partners, LP
TBK Bank, SSB
375 W. 4th AVE., LLC, a Colorado limited
liability company
D & K Development, LLC

Scotch Pine-Severance Owners
Association, Inc
Town of Severance, a Colorado Statutory
Municipal Corporation
Q's Mart Inc., a Colorado corporation
Belfiore Properties LLC, a Colorado
Limited Liability Company
Hultgren Properties, LLC
386 Scotch Pine LLC. A Colorado Limited
Liability Company
David Matthew Koster and Alison
Christine Koster
Sarah J. Woodward
Matthew Pohlman
David Scott Paulson
Cheryl L. Thompson
Tyler J. Sheer and Brittany N. Sheer
Timothy J. Carsrud & Jessica J. Carsrud
Timothy J. Carsrud & Jessica J. Carsrud
Richard D. Shunk & Marna R. Shunk
Richard D. Shunk & Marna R. Shunk
Artis Jean Banghart, Craig A. Banghart
Robert C. Brady
Cathy M. Brady
Becky A. Worman and Zachary H.
Worman
Donna M. Wagner
Lloyd L. Winder and Lucille E. Winder
Kevin P. Bach
Judy A. Walton
Judy A. Walton
Aaron M. Burd and Jamie A. Burd
Dennis G. Porter
Caleb Dean Catlett and Amanda Catlett
Shannon K. Miller
Jason M. Miller
Jay Murrell
Shawna M. Pehrson and Corey R.
Pehrson

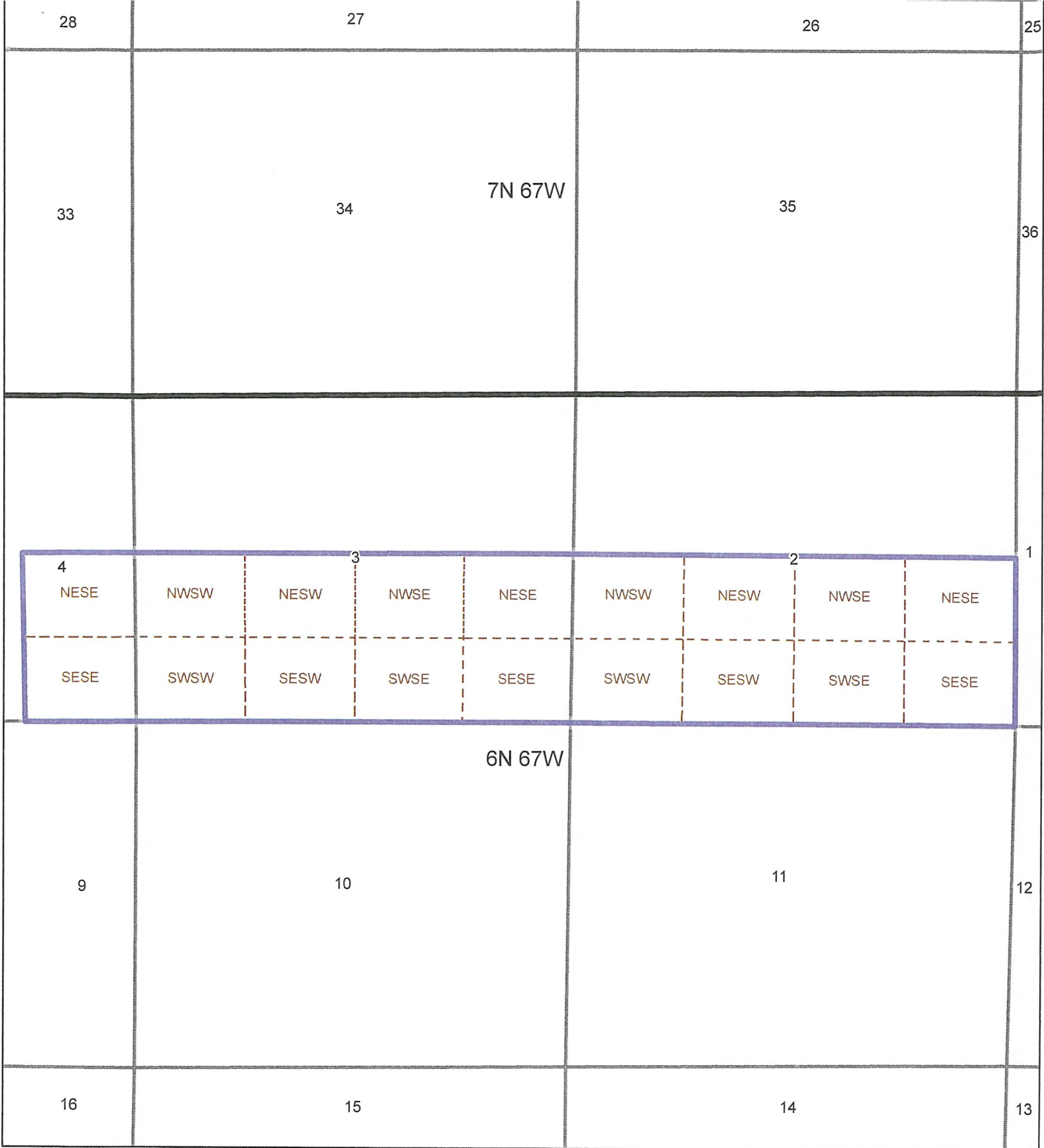
Wesley Carl Howland and Rachael Ann
Howland
Thomas W. Seaberg
William T. Kellogg
Barbara J. Severidt and Jerry L. Severidt
and Julie A. Severidt, joint tenants
Sauk Investments, LLC (Minerals)
Christine M. Krause and Rick A. Krause,
joint tenants
Brandon Lenoir and Sadie Lenoir, joint
tenants
Toni Schindler Zimmerman
Brian D. Coe and Stephanie Jean Kaus
Coe, joint tenants
Daniel Vogel
Great Western Trail Authority
Kenneth R. Meintzer and Sandra L.
Lueth, joint tenants
Caci J. Schulte
Amy Y. Anthony, Emma Reyes, Jose
Reyes, Jr., joint tenants
Ryan Guinn
Michael T. Grantham and Tonia E.
Grantham, joint tenants

Deni Sellers
Peter S. Moldauer and Sorcha I.
Moldauer, joint tenants
Michael Collins
George V. Hill and Karlee N. Hill, joint
tenants
TAP Properties, Ltd.
Angela Lang
Tyler M. Hoerner and Emily M. Hoerner,
joint tenants
Dylan Porteous
Timber Ridge Resources, LLC, a
Colorado limited liability company
Violetta Morales and Elizabeth Morales,
joint tenants
Jim L. Ells
David R. Ashley
Janet Ashley Brunk
PDC Energy
Grizzly Petroleum
SRC Resources
Kerr McGee Corporation

DSU No. 2: Section 2: S½, Section 3: S½, and Section 4: E½SE¼, Township 6 North,
Range 67 West, 6th P.M.

Mountaintop Minerals LLC
Alex R. Hull & Jenae
K. Hull, as Joint Tenants
April C. Greer and Eric
W. Michael, as Joint Tenants
Chris Kapperman and Kristin Tanner
Christopher Chavez and Marti Jo
Griffith, Joint Tenants
Walter Eskridge and Evelyn Eskridge,
husband and wife
Timothy R. Fordahl and Terri K. Fordahl,
Husband and Wife
Michael R. Steigerwald
Daniel Spieker
Jason A. Owens
Cameron W. Louie and Alicia K. Louie,
J/T

Jason E. Brownhill and Jennifer L.
Sumner-Brownhill, J/T
Seth T. Luedtke and Christina R.
Luedtke, J/T
Heirs of Paul A. Hamilton - Lillian
Hamilton
KCM Family Investments, LLC
Paul Lind and Florence O Lind
The Estate of Benjamin H. Eaton
Keith A. Rangel and Brenda P. Rangel
PDC Energy
Kerr McGee Corporation
Cornerstone Energy
J. Annette Menzel
William V. Maddux Revocable Trust
Grizzly Petroleum



EXTRACTION
Oil & Gas

**Maverick
Proposed Spacing Unit**

DATE: 5/24/2017	PRJ: GCS NAD83
SCALE: 1:24,000	AUTHOR: ECP

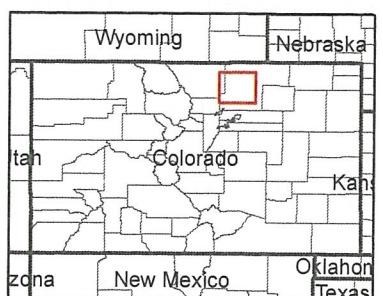
Proposed Spacing Units

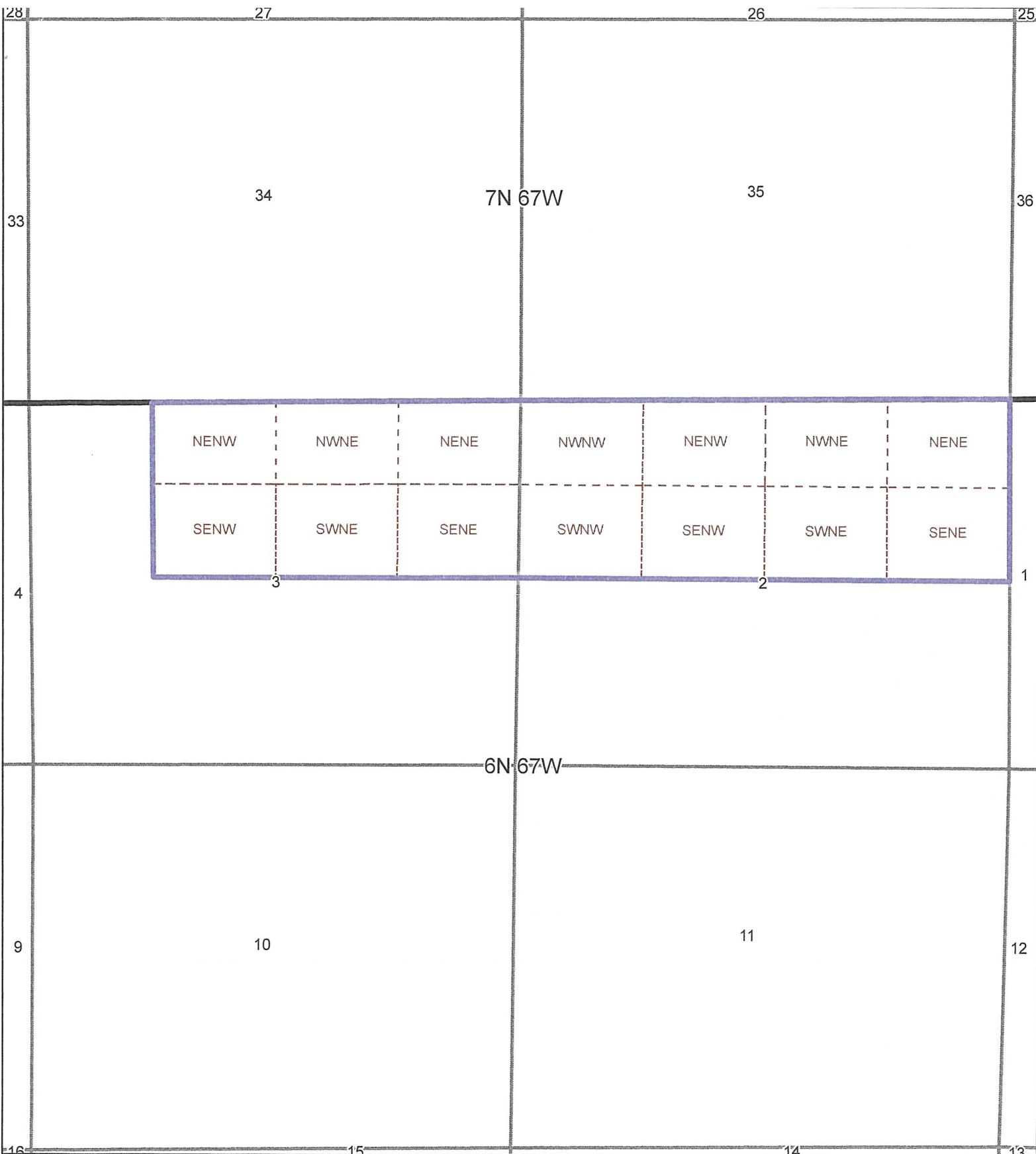
Quarter/Quarter Section Grid

*Maverick Spacing
Township 6N Range 67W, 6th P.M.
Section: 2, S2
Section: 3, S2
Section: 4, E2SE/4*

1 inch = 2,000 feet

0 500 1,000 2,000 3,000 4,000 Feet





EXTRACTION
Oil & Gas

**Iceman
Proposed Spacing Unit**

DATE: 5/24/2017	PRJ: GCS NAD83
SCALE: 1:21,600	AUTHOR: ECP

Proposed Spacing Units

Quarter/Quarter Section Grid

*Iceman Spacing
Township 6N Range 67W, 6th P.M.
Section: 2, N2
Section: 3, NE/4, E2NW/4*

1 inch = 1,800 feet

0 450 900 1,800 2,700 3,600 Feet



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

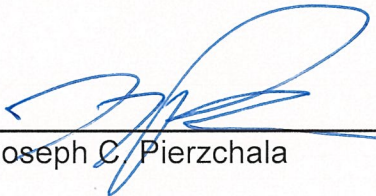
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AND AN APPROXIMATE 720-ACRE) Type: SPACING
DRILLING AND SPACING UNIT AND)
ESTABLISHING WELL LOCATION RULES)
APPLICABLE TO THE DRILLING AND)
PRODUCING OF WELLS FROM THE)
CODELL AND NIOBRARA FORMATIONS)
COVERING CERTAIN LANDS IN TOWNSHIP)
6 NORTH, RANGE 67 WEST, 6TH P.M.,)
WELD COUNTY, COLORADO.)

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 Extraction Oil & Gas, Inc. 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.

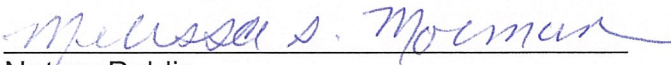


Joseph C. Pierzchala

Subscribed and sworn to before me June 7, 2017.

Witness my hand and official seal.

MELISSA A. MORMAN
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 19894012434
MY COMMISSION EXPIRES AUGUST 29, 2017



Notary Public

My commission expires: 8/29/2017