

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

IN THE MATTER OF THE APPLICATION OF)	
EXTRACTION OIL & GAS, INC., FOR AN ORDER)	CAUSE NO. 407
ESTABLISHING AN APPROXIMATE 640-ACRE)	
DRILLING AND SPACING UNIT FOR THE S½ OF)	DOCKET NO. <i>To be determined</i>
SECTION 11 AND S½ OF SECTION 12, TOWNSHIP 7)	
NORTH, RANGE 67 WEST, 6 TH P.M., AND)	TYPE: Spacing
AUTHORIZING THE DRILLING OF TEN)	
HORIZONTAL WELLS WITHIN SAID UNIT, FOR)	
PRODUCTION FROM THE CODELL-NIOBRARA)	
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 640-acre drilling and spacing unit for the S½ of Section 11 and S½ of Section 12, Township 7 North, Range 67 West, 6th P.M., and authorizing the drilling of 10 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, 6th P.M.
Section 11: S½
Section 12: S½

The Application Lands comprise 640 acres, more or less, and are depicted on the Application Map, Exhibit A, attached hereto.

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 640-acre drilling and spacing unit for the Application Lands, and the authority to drill 10 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 two 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 640-acre drilling and spacing unit for the Application Lands, and authorizing the drilling of 10 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 two 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.

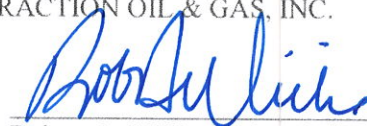
C. For such other findings and orders as the Commission may deem proper or advisable given the premises.

DATED this 13th day of July, 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.

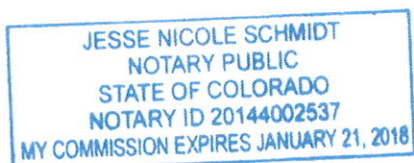
EXTRACTION OIL & GAS, INC.


Sean Flanagan

Subscribed and sworn to before me this 13th day of July, 2017, by Sean Flanagan, Landman for Extraction Oil & Gas, Inc.

Witness my hand and official seal.

My commission expires: 1/21/2018



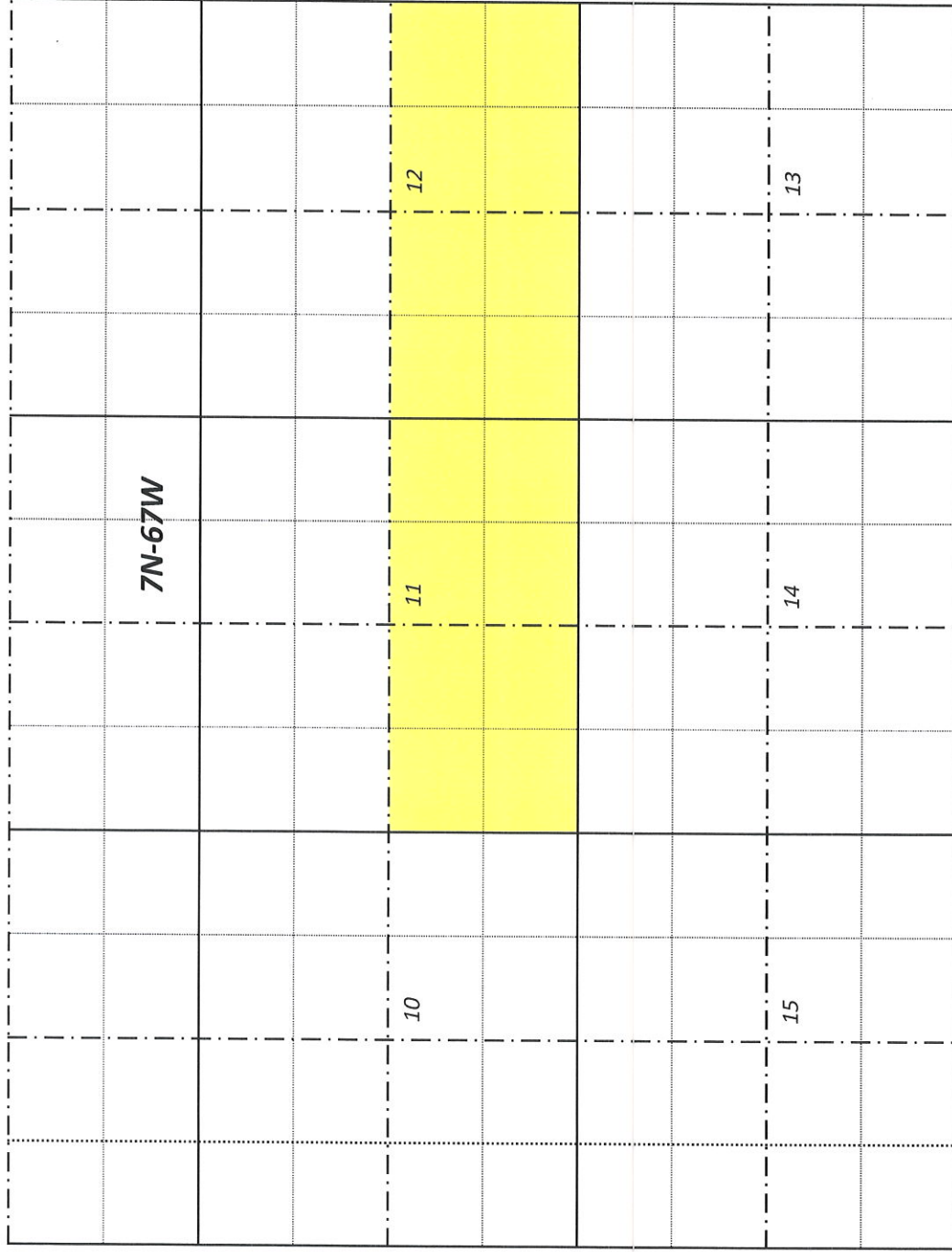
Kese Schmidt
Notary Public

Exhibit A

Application Map

Township 7 North, Range 67 West, 6th P.M.

- Application Lands



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PRODUCTION FROM THE CODELL-NIOBRARA)	
FORMATION, WATTENBERG FIELD, WELD)	
COUNTY, COLORADO)	

CERTIFICATE OF MAILING

I, Kara Konstanty, hereby certify that on or before the 20th day of July, 2017, I caused a copy of the Application and the attached Exhibit B, in the above referenced Docket No., to be deposited in the United States Mail, postage prepaid, addressed to the parties listed on Exhibit B, attached hereto.

DATED this 19th day of July, 2017.


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

EXHIBIT B – INTERESTED PARTY LIST

Anadarko Land Corp. 1099 18th Street, Suite 1800 Denver, CO 80202	Pawnee Butte Royalties, LLC P.O. Box 4631 Englewood, CO 80155	Steve Winick 11083 HWY 14 Ault, CO 80610
June Ewald fka June Cary, widow 2507 W. 20th Street Road Greeley, CO 80634	Shirley Wykert 10799 Sherman Grove Ave. Unit 26 Sunland, CA 91040	Kerr McGee Oil & Gas Onshore, LP 1099 18th Street, Suite 1800 Denver, CO 80202
James E. Hyde III, as Personal Representative of the Estate of James E. Hyde, II, deceased 9007 Orleans Street Federal Heights, CO 80260	The Poudre Valley National Bank of Ft. Collins, Trustee of the Estate of Hila Fisher Poudre Valley Bank 1520 East Mulberry Street Fort Collins, CO 80524	Troy Swain Weld County Dep't of Planning Services 1555 North 17th Ave. Greeley, CO 80631
Joyce Arlene Wykert Weber P.O. Box 1314 Ault, CO 80610	Lynda Colleen Kammerzell 2087 Gull Way Camano Island, WA 98282	Loraine L. Seastone 1006 Bramblebust Street Fort Collins, CO 80524
Clark D. Wykert P.O. Box 112 Drake, CO 80515	Karen S. Burroughs 4542 W. Pioneer Ln. Greeley, CO 80634	John Todd Burroughs 13924 Manor Way Lynnwood, WA 98037
Sally Ann Miller 4108 Eagle, CO 81631	Cory Frederick Steen 1617 57th Ave. Greeley, CO 80634	Mardi Steen Randle 236 48th Avenue Court Greeley, CO 80634
LaMar Lance Steen 6529 High Drive Mission Hills, KS 66208	Dennis Drake 11567 HWY 14 Ault, CO 80610	Rebecca Lynn Schneider 122 48th Ave Greeley, CO 80634
Dale McKinster 11353 Forest Drive Thornton, CO 80233	Lincoln Energy Partners II, LLC 852 Broadway, Suite 300 Denver, CO 80203	The City of Thornton 9500 Civic Center Dr. Thornton, CO 80229
WYOTEX Drilling Ventures LLC P.O. Box 280969 Lakewood, CO 80228	Don. A. Seastone 38 Lower Terrace Dr. South Fork, CO 81154	The Shanor Group LLC Robert A. Willis 600 17th Street, Suite 2800 Denver, CO 80202
Extraction Oil & Gas, Inc. Sean Flanagan 370 17th St #5300 Denver, CO 80202	Extraction Oil & Gas LLC 1888 Sherman St., Suite 200 Denver, CO 80203	Synergy Resources Corp. 20203 HWY 60 Platteville, CO 80651
Kent Kuster CDPHE 4300 Cherry Creek Dr. South Denver, CO 80246-1530	Colo. Parks & Wildlife Attn: Brandon Marett 6060 Broadway Denver, CO 80216	