

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

IN THE MATTER OF THE PROMULGATION AND)	CAUSE NO. 407
ESTABLISHMENT OF FIELD RULES TO GOVERN)	
OPERATIONS FOR THE CODELL AND NIOBRARA)	DOCKET NO. 171000658
FORMATIONS, WATTENBERG FIELD, ADAMS)	
COUNTY, COLORADO)	TYPE: SPACING

NOTICE OF CHANGE OF FIRM AFFILIATION

Effective May 15, 2018, the undersigned has resigned his affiliation with Fox Rothschild LLP. Accordingly, from and after May 16, 2018: (i) Fox Rothschild LLP withdraws from representation of PetroShare Corp. and (ii) PetroShare Corp. shall continue to be represented by the undersigned, whose affiliation from and after such date shall be with the following law firm:

Brent Chicken
Steptoe & Johnson PLLC
600 17th St.
Ste. 2300
Denver, CO 80202
303.389.4300
Brent.Chicken@Steptoe-Johnson.com

Please direct all future correspondence and inquiries concerning the above-captioned matter to the undersigned at the contact information set forth above.

DATED this 15th day of May, 2018.

FOX ROTHSCHILD LLP

By: 

BRENT D. CHICKEN (CO Bar No. 36217)
1225 17th Street, Suite 2200
Denver, CO 80202
303-292-1200
bchicken@foxrothschild.com
Attorneys for Applicant PetroShare Corp.

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

IN THE MATTER OF THE PROMULGATION AND)	CAUSE NO. 407
ESTABLISHMENT OF FIELD RULES TO GOVERN)	
OPERATIONS FOR THE CODELL AND NIOBRARA)	DOCKET NOS. 171000658
FORMATIONS, WATTENBERG FIELD, ADAMS)	
COUNTY, COLORADO)	TYPE: SPACING

CERTIFICATE OF SERVICE

Brent Chicken, of lawful age and being first duly sworn upon his oath, states and declares that he is the attorney for PetroShare Corp. in the above-captioned matter(s), and that on May 15, 2018 he caused a true and complete copy of the foregoing Notice of Change of Firm Association to be sent electronically to the following parties:

Jill Fulcher Jobediah Rittenhouse Attorneys for Extraction Oil & Gas, Inc. jfulcher@bwenerylaw.com jrittenhouse@bwenerylaw.com	
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Brent Chicken

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

IN THE MATTER OF AN APPLICATION BY)
PETROSHARE CORP. FOR AN ORDER TO, AMONG) CAUSE NO. 407
OTHER THINGS, ESTABLISH AN APPROXIMATE)
1,167.84-ACRE DRILLING AND SPACING UNIT) DOCKET NO. _____
COMPRISED OF ALL OF SECTIONS 18 AND 19,)
TOWNSHIP 1 SOUTH, RANGE 65 WEST, 6TH P.M., FOR) TYPE: SPACING
THE CODELL-NIOBRARA FORMATIONS,)
WATTENBERG FIELD, ADAMS COUNTY, COLORADO)

APPLICATION

PetroShare Corp. ("Applicant"), by and through its attorneys, Fox Rothschild LLP, respectfully submits this Application ("Application") to the Oil and Gas Conservation Commission of the State of Colorado ("Commission") for an order establishing an approximate 1,167.84-acre drilling and spacing unit comprised of all of Sections 18 and 19, Township 1 South, Range 65 West, 6th P.M., for horizontal well development of the Codell-Niobrara Formations, Wattenberg Field, Adams County, Colorado.

In support of its Application, Applicant states and alleges as follows:

1. Applicant is a corporation duly authorized to conduct business in the State of Colorado, and is registered as Operator No. 10454 with the Commission.
2. Applicant owns leasehold interests in the below-listed lands ("Application Lands"):

Township 1 South, Range 65 West, 6th P.M.
Section 18: All
Section 19: All

Containing 1,167.84 acres, more or less

3. A map depicting the acreage comprising the Application Lands, which lie within the Greater Wattenberg Area ("GWA") as defined by Commission Rule 318A, is attached hereto and incorporated herein as **Exhibit A**.

4. On April 27, 1998, the Commission adopted Commission 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. Commission Rule 318A supersedes all prior Commission drilling and spacing orders affecting well location and density requirements of GWA wells. On December 5, 2005, Commission Rule 318A was amended to, among other things, allow interior infill and boundary wells to be drilled and wellbore spacing units to be established. On August 8, 2011, Commission Rule 318A was again amended, among other things, to address drilling of horizontal wells. The Application Lands are subject to Commission Rule 318A for the Codell-Niobrara Formations.¹

¹ Commission Rule 318A supersedes Commission Order No. 407-87 dated February 19, 1992, as amended, with respect to the Application Lands.

5. The Commission has issued no other orders concerning the establishment of drilling and spacing units touching and concerning the Application Lands regarding the horizontal well development of the Codell-Niobrara Formations.

6. As of the date of the filing of this Application: (a) no horizontal wells have been drilled on the Application Lands; (b) there no vertical wells producing from the Subject Formations on the Subject Lands; (c) with the exception of the foregoing, there are no other wells (vertical, directional or horizontal) located on the Application Lands producing from the Subject Formations; and (d) there are twelve (12) pending applications for permit to drill horizontal wells on the Application Lands to the Subject Formations.²

7. Applicant requests the establishment of the Application Lands as an approximate 1,167.84-acre drilling and spacing unit for the horizontal well production of Codell-Niobrara Formations oil, gas and associated hydrocarbons, pursuant to Commission Rule 503.b.(1) and C.R.S. § 34-60-116(2) ("Proposed DSU").

8. Applicant requests authorization to drill, complete and operate up to sixteen (16) horizontal wells in the Proposed DSU (collectively, "Wells"), for the production of Codell-Niobrara Formations oil, gas and associated hydrocarbons ("Well Density Request"), pursuant to Commission Rule 503.b.(1).

9. Applicant requests authorization that the productive interval for any of the Wells be located no closer than one hundred fifty feet (150') from the productive interval of any other wellbore located within the Proposed DSU, absent exception being granted by the Director or variance being granted by the Commission ("Interwell Setback Request"), pursuant to Commission Rule 503.b.(1).

10. Applicant requests authorization that the productive interval for any of the Wells be located no closer than four hundred sixty feet (460') from the boundary of the Proposed DSU, absent exception being granted by the Director or variance being granted by the Commission ("Boundary Line Setback Request"), pursuant to Commission Rule 503.b.(1).

11. Applicant states that the Proposed DSU is not smaller than the maximum area that can be economically and efficiently drained by the Wells.

² Specifically: (i) Conner 19-18-1CDH Well, COGCC Document No. 401366022, approved as complete by the COGCC on or about 8/14/2017; (ii) Conner 19-18-2CDH Well, COGCC Document No. 401303870, approved as complete by the COGCC on or about 8/22/2017; (iii) Conner 19-18-2NBH Well, COGCC Document No. 401298471, approved as complete by the COGCC on or about 8/22/2017; (iv) Conner 19-18-2NXH Well, COGCC Document No. 401284104, approved as complete by the COGCC on or about 8/22/2017; (v) Conner 19-18-3CDH Well, COGCC Document No. 401282555, approved as complete by the COGCC on or about 8/22/2017; (vi) Conner 19-18-3NBH Well, COGCC Document No. 401276398, approved as complete by the COGCC on or about 8/22/2017; (vii) Conner 19-18-3NCH Well, COGCC Document No. 401226995, approved as complete by the COGCC on or about 8/22/2017; (viii) Conner 19-18-3NXH Well, COGCC Document No. 401214063, approved as complete by the COGCC on or about 8/22/2017; (ix) Conner 19-18-4CDH Well, COGCC Document No. 401177401, approved as complete by the COGCC on or about 8/14/2017; (x) Conner 19-18-4NBH Well, COGCC Document No. 401175841, approved as complete by the COGCC on or about 8/22/2017; (xi) Conner 19-18-4NCH Well, COGCC Document No. 401174128, approved as complete by the COGCC on or about 8/22/2017; and (xii) Conner 19-18-4NXH Well, COGCC Document No. 401158697, approved as complete by the COGCC on or about 8/22/2017.

12. Applicant states that its request for the creation of the Proposed DSU, the granting of the Well Density Request, the granting of the Interwell Setback Request, and the granting of the Boundary Line Setback Request, are each necessary and will promote full, economic and efficient resource recovery, minimize surface impacts, create of efficiencies for drilling and production, increase the ultimate recovery of the hydrocarbon reserves from the Application Lands, prevent waste, and protect correlative rights.

13. Applicant states that no interested party will be prejudiced by the granting of the relief sought herein.

14. Applicant notes that a portion of the Application Lands – the NE/4, Section 18, Township 1 South, Range 65 West, 6th P.M. (“Overlap Lands”) – is also contained within the lands subject to the Application of Confluence DJ LLC (“Confluence Application”), which seeks the establishment of an 800-acre drilling and spacing unit comprised of the Overlap Lands and all of Sections 6-7, Township 1 South, Range 65 West, 6th P.M.

15. The Confluence Application is currently pending before the Commission in Cause No. 407, Docket No. 170900563, for the scheduled September 2017 Commission hearings.

16. Applicant intends to timely file a protest of the Confluence Application pursuant to Commission Rule 509.

17. Applicant states that any horizontal wells to be drilled under this Application will be drilled on the surface of the Proposed DSU, or on adjacent lands with consent of the surface landowner, from no more than two (2) multi-well pads, absent exception being granted by the Director or variance being granted by the Commission.

18. The granting of this Application is in accord with the Oil and Gas Conservation Act, found at C.R.S. § 34-60-101, *et seq.*, and the Commission Rules.

19. That the names and addresses of the interested parties (Owners within the Application Lands) are attached hereto and incorporated herein as **Exhibit B**.

20. Applicant shall submit a certificate of service for this Application within seven (7) days pursuant to Commission Rules 503.e, 507.

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:

A. Establishing the Application Lands as an approximate 1,167.84-acre drilling and spacing unit for the horizontal well production of Codell-Niobrara Formations oil, gas and associated hydrocarbons;


B. Authorizing the drilling, completion and operation of up to sixteen (16) horizontal wells in the drilling and spacing unit so established, for the production of Codell-Niobrara Formations oil, gas and associated hydrocarbons;

C. Authorizing that the productive interval for any of the horizontal wells in the drilling and spacing unit so established be located no closer than one hundred fifty feet (150') from the productive interval of any other wellbore located within the same, absent exception being granted by the Director or variance being granted by the Commission;

D. Authorizing that the productive interval for any of the horizontal wells in the drilling and spacing unit so established be located no closer than four hundred sixty feet (460') from the boundary of the same, absent exception being granted by the Director or variance being granted by the Commission; and

E. For such other findings and orders as the Commission may deem proper or advisable.

Respectfully dated and submitted this 24th day of August, 2017.

By: 
Brent D. Chicken (Colorado Bar No. 36217)
Jacob Baer (Colorado Bar No. 47051)
Fox Rothschild LLP
Attorney for Applicant
1225 17th Street
Suite 2200
Denver, CO 80202
303.446.3844

Applicant:
PetroShare Corp.
Attn: William R. Givan
9635 Maroon Circle
Suite 400
Englewood, CO 80112-5927
303.500.1168
bgivan@PetroSharecorp.com


Local Governmental Designee:
Jennifer Rutter
Community & Economic Development
4300 South Adams County Pkwy.
Brighton, CO 80601-8218
720.523.6841
jrutter@adcogov.org

VERIFICATION

STATE OF COLORADO)
) ss.
CITY AND COUNTY OF DENVER)

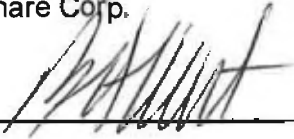
William R. Givan, Vice President Land, PetroShare Corp., upon oath deposes and says that he has read the foregoing Application and that the statements contained therein are true to the best of his knowledge, information and belief.

PETROSHARE CORP.



William R. Givan
Vice President Land

Acknowledged, subscribed and sworn to before me this 10 day of August, 2017 by William R. Givan, Vice President Land of PetroShare Corp.



Print Name: _____
Notary Public
State of Colorado
My commission expires: _____

SEAL

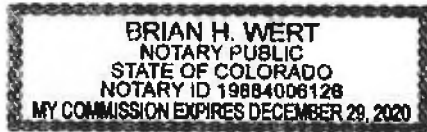


EXHIBIT A

PROPOSED DSU MAP

Township 1 South, Range 65 West, 6th P.M.

Section 18: All

Section 19: All

Containing 1,167.84 acres, more or less

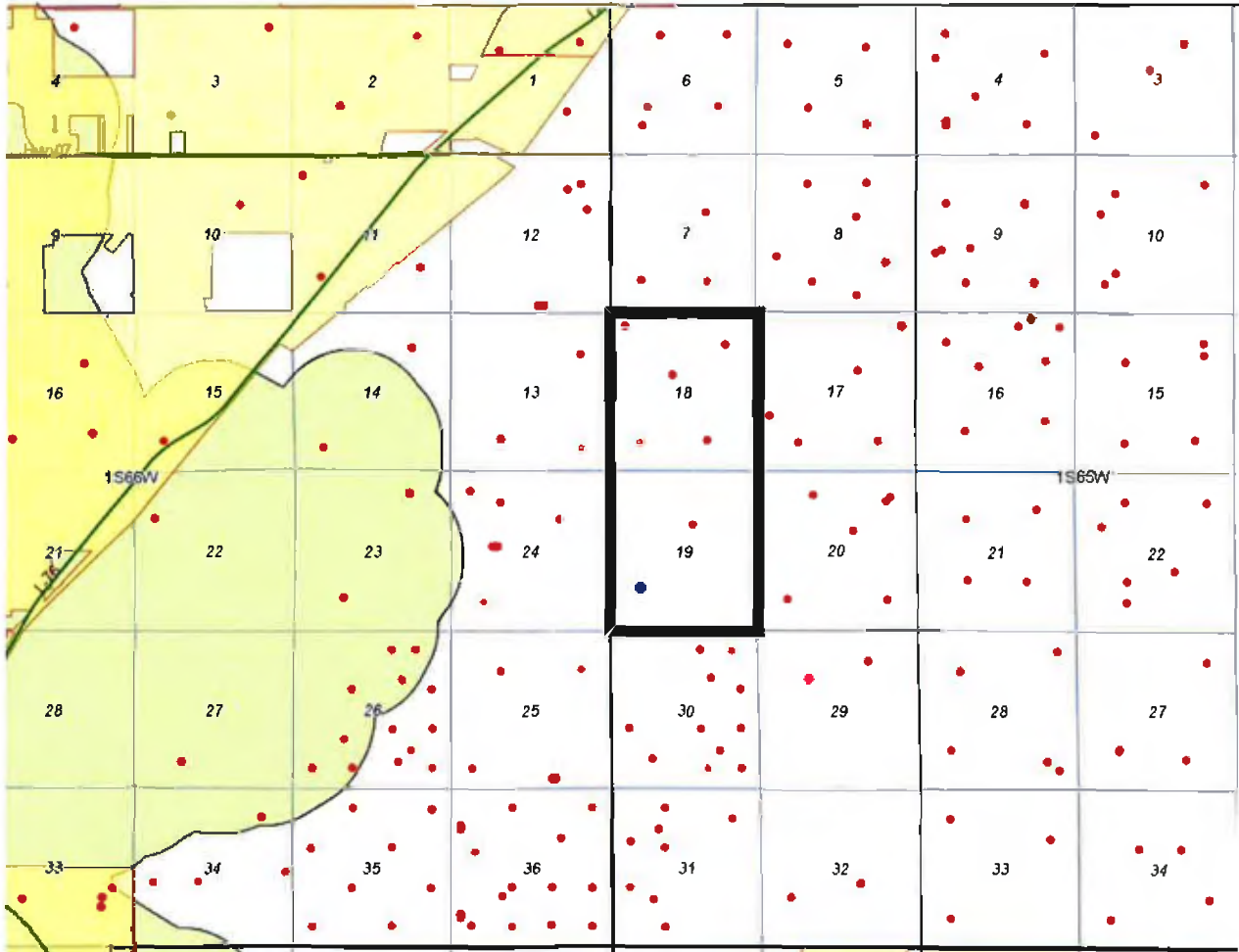


EXHIBIT B

INTERESTED PARTIES

The names and addresses of the interested parties (Owners within all of Sections 18 and 19, Township 1 South, Range 65 West, 6th P.M.), according to the information and belief of the Applicant, are set forth in this **Exhibit B**.

Jennifer Rutter Community & Economic Development 4300 S. Adams County Pkwy. Brighton, CO 80601-8218	Timothy Scott Hager, a/k/a Timothy S. Hager, a/k/a Tim S. Hager, a/k/a Tim Hager, as Trustee of the Timothy S. Hager Revocable Trust u/a dated January 9, 2001 155 E. Boardwalk Dr. Ste. 400 Fort Collins CO 80525
Blue Chip Oil, Inc. 155 E. Boardwalk Dr. Ste. 400 Fort Collins CO 80525	Gail #1, L.L.C. 155 E. Boardwalk Dr. Ste. 400 Fort Collins CO 80525
Confluence DJ, LLC 1001 17th St. Ste. 1250 Denver, CO 80202	Crestone Peak Resources 1801 California St. Ste. 2500 Denver, CO 80202
Mary Elizabeth Hager 3767 Tayside Ct. Timnath, CO 80547	Kaiser-Francis Oil Company P.O. Box 21468 Tulsa, OK 74121
Great Western Operating Company LLC 1801 Broadway St. 500 Denver, CO 80202	HRM Resources II, LLC 410-17th St. St. 1600 Denver, CO 80202
Grizzly Petroleum Company, LLC 1801 Broadway Ste. 500 Denver, CO 80202	PK Petrol, LLC 1506 W. Oak St. Fort Collins, CO 80521
PetroShare Corp. 9635 Maroon Cir. Suite 400 Englewood, CO 80112	Murjo Oil & Royalty Company P.O. Box 121818 Fort Worth, TX 76121
James R. Hill Family Limited Partnership 500 West 7th St. Ste. 1802 Fort Worth, TX 76102	Glenn Lattimore Family Limited Partnership 500 W. 7th St. Ste. 1802 Fort Worth, TX 76102

Houston and Emma Hill Trust Estate 500 Throckmorton Ste. 2803 Fort Worth, TX 76102	Boswell Interests, Ltd.1 320 Lake St. Fort Worth, TX 76102
Wild Plum Petroleum Corporation 500 Throckmorton Ste. 2803 Fort Worth, TX 76102	KHN Investments 500 Throckmorton St. 2803 Fort Worth, TX 76102I
Wild Plum Petroleum Corporation 500 W. 7th St. Ste. 1802 Fort Worth, TX 76102	KHN Investments 500 W. 7th St. St. 1802 Fort Worth, TX 76102
Lattimore Investments 500 Throckmorton St. 2803 Fort Worth, TX 76102	Lattimore Investments 500 W. 7th St. St. 1802 Fort Worth, TX 76102
Holt Hickman d/b/a Hickman Oil Company 677 Camp Bowie St. 600 Fort Worth, TX 76116	Hickman's LSM, Inc. P.O. Box 2551 Fort Worth, TX 76113
Debra Johnson Head 1400 Rankin Highway St. 28 Midland, TX 79701	DeMar Johnson Hopson 1400 Rankin Highway St. 28 Midland, TX 79701
F. Kirk Johnson, IV 5941 Woodland Dr. Dallas, TX 72225	Marsland Holt Johnson 5941 Woodland Dr. Dallas, TX 72225
BP America Production Company 501 WestLake Park Blvd. Houston, TX 77079	Kerr-McGee Oil & Gas Onshore LP 1099 18th St. St. 1800 Denver, CO 80202
Noble Energy, Inc. 1625 Broadway Ste. 2200 Denver, CO 80202	Clemens Sheet Metal Works, Inc. 610 Roaring Springs Rd. Fort Worth, TX 76114

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

IN THE MATTER OF AN APPLICATION BY)
PETROSHARE CORP. FOR AN ORDER POOLING ALL) CAUSE NO. 407
INTERESTS IN AN APPROXIMATE 320-ACRE)
DRILLING AND SPACING UNIT COMPRISED OF THE) DOCKET NO. _____
W/2, SECTION 10, TOWNSHIP 1 SOUTH, RANGE 67)
WEST, 6TH P.M., FOR THE CODELL-NIOBRARA) TYPE: SPACING
FORMATIONS, WATTENBERG FIELD, ADAMS)
COUNTY, COLORADO)

CERTIFICATE OF SERVICE

Brent D. Chicken, of lawful age, and being first duly sworn upon his oath, states and declares that he is the attorney for PetroShare Corp. in the above-captioned matter, and that on August **INSERT**, 2017, he caused a copy of the attached Application to be deposited in the United States Mail, postage prepaid, addressed to the parties listed on Exhibit B to the Application.

Brent D. Chicken

Subscribed and sworn to before me on the **INSERT**th day of August, 2017.

Witness my hand and official seal.

Notary Public

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

IN THE MATTER OF AN APPLICATION BY)
PETROSHARE CORP. FOR AN ORDER POOLING ALL) CAUSE NO. 407
INTERESTS IN AN APPROXIMATE 320-ACRE)
DRILLING AND SPACING UNIT COMPRISED OF THE) DOCKET NO. 171000658
W/2, SECTION 10, TOWNSHIP 1 SOUTH, RANGE 67)
WEST, 6TH P.M., FOR THE CODELL-NIOBRARA) TYPE: SPACING
FORMATIONS, WATTENBERG FIELD, ADAMS)
COUNTY, COLORADO)

CERTIFICATE OF SERVICE

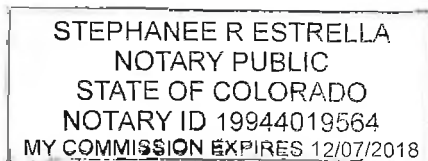
Brent D. Chicken, of lawful age, and being first duly sworn upon his oath, states and declares that he is the attorney for PetroShare Corp. in the above-captioned matter, and that on August 28, 2017, he caused a copy of the attached Application to be deposited in the United States Mail, postage prepaid, addressed to the parties listed on Exhibit B to the Application.



Brent D. Chicken

Subscribed and sworn to before me on the 28th day of August, 2017.

Witness my hand and official seal.



Notary Public

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

IN THE MATTER OF AN APPLICATION BY)
PETROSHARE CORP. FOR AN ORDER TO, AMONG) CAUSE NO. 407
OTHER THINGS, ESTABLISH AN APPROXIMATE)
1,167.84-ACRE DRILLING AND SPACING UNIT) DOCKET NO. 171000658
COMPRISED OF ALL OF SECTIONS 18 AND 19,)
TOWNSHIP 1 SOUTH, RANGE 65 WEST, 6TH P.M., FOR) TYPE: SPACING
THE CODELL-NIOBRARA FORMATIONS,)
WATTENBERG FIELD, ADAMS COUNTY, COLORADO)

SUPPLEMENTAL CERTIFICATE OF SERVICE

Brent D. Chicken, of lawful age, and being first duly sworn upon his oath, states and declares that he is the attorney for Petroshare Corp. ("PetroShare") with respect to the above-captioned matter, and that on August 28, 2017, he filed a Certificate of Service with the Colorado Oil and Gas Conservation Commission ("Commission") indicating that a copy of PetroShare's Application in the above-captioned matter had been deposited in the United States Mail, postage prepaid, addressed to the parties identified in Exhibit "B" to such Application, including the following parties:

Hickman's LSM, Inc.
P.O. Box 2551
Fort Worth, TX 76113

Holt Hickman d/b/a Hickman Oil Company
677 Camp Bowie
Ste. 600
Fort Worth, TX 76116

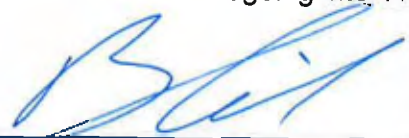
Subsequent to the foregoing, the mailings to the foregoing interested parties were returned undeliverable. The undersigned was then advised that Petroshare had located (or had been provided with) updated last known mailing addresses for the foregoing interested parties.

Accordingly, on September 15, 2017, the undersigned caused a true and complete copy of Petroshare's Application in the above-captioned matter to be sent to the foregoing parties at the following corrected addresses:

Hickman's LSM, Inc. d/b/a Hickman Investment Ltd.
131 East Exchange Ave.
Ste. 207
Fort Worth, TX 76164

Holt Hickman d/b/a Hickman Oil Company
6777 Camp Bowie
Ste. 600
Fort Worth, TX 76116

All further correspondence and notices concerning Petroshare's Application in the above-captioned matter, including Notices of Hearing, shall be sent to the foregoing interested parties at the foregoing corrected addresses.




Brent D. Chicken

Subscribed and sworn to before me on the 15th day of September, 2017.

Witness my hand and official seal.

STEPHANEE R ESTRELLA
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 19944019564
MY COMMISSION EXPIRES 12/07/2018



Notary Public

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


IN THE MATTER OF AN APPLICATION BY)
PETROSHARE CORP. FOR AN ORDER TO, AMONG) CAUSE NO. 407
OTHER THINGS, ESTABLISH AN APPROXIMATE)
1,167.84-ACRE DRILLING AND SPACING UNIT) DOCKET NO. 171000658
COMPRISED OF ALL OF SECTIONS 18 AND 19,)
TOWNSHIP 1 SOUTH, RANGE 65 WEST, 6TH P.M., FOR) TYPE: SPACING
THE CODELL-NIOBRARA FORMATIONS,)
WATTENBERG FIELD, ADAMS COUNTY, COLORADO)

AMENDED CERTIFICATE OF SERVICE

Brent D. Chicken, of lawful age, and being first duly sworn upon his oath, states and declares that he is the attorney for Petroshare Corp. ("PetroShare") with respect to the above-captioned matter, and that on August 28, 2017, he filed a Certificate of Service with the Colorado Oil and Gas Conservation Commission ("Commission") indicating that a copy of PetroShare's Application in the above-captioned matter had been deposited in the United States Mail, postage prepaid, addressed to the parties identified in Exhibit "B" to such Application

However, the caption associated with such Certificate of Service was in error, and identified lands other than the Application Lands as set forth in PetroShare's Application.

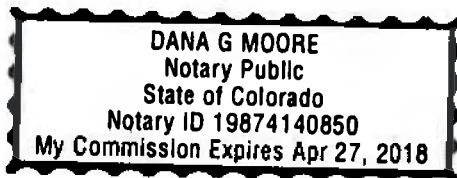
Accordingly, the undersigned files this Amended Certificate of Service, and states that he is the attorney for PetroShare with respect to the above-captioned matter, and that on August 28, 2017, he caused a copy of the attached Application in the above-captioned matter to be deposited in the United States Mail, postage prepaid, addressed to the parties listed on Exhibit B to PetroShare's Application.




Brent D. Chicken

Subscribed and sworn to before me on the 26th day of September, 2017.

Witness my hand and official seal.





Notary Public