

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

IN THE MATTER OF THE PROMULGATION AND) CAUSE NO. 535
ESTABLISHMENT OF FIELD RULES TO)
GOVERN OPERATIONS FOR THE NIOBRARA,) DOCKET NO. **171000660**
FORT HAYS, CARLILE, AND CODELL)
FORMATIONS, UNNAMED FIELD, WELD) TYPE: SPACING
COUNTY, COLORADO)

AMENDED APPLICATION

Pursuant to C.R.S § 34-60-116, Mallard Exploration, LLC (Operator # 10670) ("Applicant"), respectfully submits this **Amended** Application to the Oil and Gas Conservation Commission of the State of Colorado (the "Commission") for an order to 1) vacate an approximate 640-acre drilling and spacing unit established by Order 535-3 for Section 29, Township 8 North, Range 60 West; 2) vacate an approximate 640-acre drilling and spacing unit established by Order 535-390 for Section 32, Township 8 North, Range 60 West; 3) establish one approximate 1280-acre drilling and spacing unit for the following lands:

Township 8 North, Range 60 West, 6th P.M.

Section 29: All

Section 32: All

Weld County, Colorado ("Application Lands"); and 4) approve up to 16 horizontal wells within the unit for the production of oil, gas and associated hydrocarbons from the Niobrara, **Fort Hays, Carlile, and Codell Formations. The Fort Hayes and Carlile Formations are non-target formations and being included in the drilling and spacing unit at the Commission's request in the event the horizontal wellbore of the proposed wells deviate into these formations.**

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

1. Applicant is a limited liability company duly authorized to conduct business in the State of Colorado and is an operator in good standing with the Commission.
2. Applicant owns leasehold interests in the Application Lands. A reference map of the Application Lands is attached as Exhibit A.
3. On February 22, 2011, the Commission entered Order 535-3, which among other things, established various drilling and spacing units for certain lands, including an approximate 640-acre drilling and spacing unit in Section 29, Township 8 North, Range 60 West, and approved one horizontal well within each unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.
4. On July 29, 2013, the Commission entered Order 535-390, which among other things, established an approximate 640-acre drilling and spacing unit in Section 32,

Township 8 North, Range 60 West and approved four horizontal wells within the unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

5. Rule 318.a. requires that wells drilled in excess of 2,500 feet in depth be located not less than: 600 feet from any lease line' and 1,200 feet from any other producible or drilling oil or gas well that has same common source of supply. Sections 29 and 32, Township 8 North, Range 60 West are subject to this Rule for the **Fort Hays, Carlile, and Codell Formations**.

6. Pursuant to C.R.S. § 34-60-116, Applicant requests that the Commission vacate Orders 535-3 and 535-390 as they apply to Sections 29 and 32, Township 8 North, Range 60 West respectively, and in their place, establish one approximate 1280-acre drilling and spacing unit underlying the Application Lands and approve up to 16 horizontal wells within the unit, with 12 horizontal wells to be drilled to the Niobrara Formation and four horizontal wells to be drilled to the Codell Formation. The productive interval of each such wellbore shall be located no closer than 600 feet from the unit boundaries, and no closer than 150 feet from the productive interval of any other wellbore located within the unit, without exception being granted by the Director.

7. Applicant requests that the Commission authorize one wellpad within the unit or upon adjacent lands.

8. Applicant asserts that vacating Orders 535-3 and 535-390 with respect to the Application Lands and establishing the proposed drilling and spacing unit will allow for the economic and efficient drainage of the Niobrara, **Fort Hays, Carlile, and Codell Formations**, will prevent waste, will not adversely affect correlative rights, and will assure the greatest ultimate recovery of oil, gas and associated hydrocarbons from the Niobrara, **Fort Hays, Carlile, and Codell Formations**. The drilling and spacing unit is not smaller than the maximum area that can be economically and efficiently drained by the proposed wells in these formations.

9. Pursuant to Rule 507.b.(1), the undersigned certifies that copies of this **Amended** Application shall be served on each interested party as required by Rule 503.e.

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

A. Vacating Order 535-3 as it applies to Section 29, Township 8 North, Range 60 West;

B. Vacating Order 535-390 as it applies to Section 32, Township 8 North, Range 60 West;

C. Establishing one approximate 1280-acre drilling and spacing unit comprised of the Application Lands for the development of and production from the Niobrara, **Fort Hays, Carlile, and Codell Formations**;

D. Authorizing up to 16 horizontal wells within the unit, with 12 horizontal wells to be drilled to the Niobrara Formation and four horizontal wells to be drilled to the Codell Formation. The productive interval of each wellbore shall be located no closer than 600 feet from the unit boundaries, and no closer than 150 feet from the productive interval of any other wellbore located within the unit, without exception being granted by the Director;

E. Authorizing one wellpad within the unit or upon adjacent lands; and

F. For such other findings and orders as the Commission may deem proper or advisable in the matter.

Dated: September 19, 2017.

Respectfully submitted:

MALLARD EXPLORATION, LLC

By: 

Dave Neslin
Gregory Nibert, Jr.
Davis Graham & Stubbs LLP
1550 Seventeenth Street, Suite 500
Denver, Colorado 80202
(303) 892-9400

Applicant's Address:
Mallard Exploration, LLC
ATTN: Jordan Mattson
1821 Blake Street, Suite 2B
Denver, CO 80202

VERIFICATION

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

Jordan Mattson, of lawful age, being first duly sworn upon oath, deposes and says that he is the Vice President of Land for Mallard Exploration, LLC and that he has read the foregoing Amended Application and that the matters therein contained are true to the best of his knowledge, information and belief.



Jordan Mattson
Vice President - Land
Mallard Exploration, LLC

Subscribed and sworn to before me this 19th day of September, 2017.

Witness my hand and official seal.

SUSANNE JOSLIN
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20094002376
MY COMMISSION EXPIRES JANUARY 21, 2021



Notary Public