

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

IN THE MATTER OF THE **SECOND** AMENDED APPLICATION OF FIFTH CREEK ENERGY OPERATING COMPANY, LLC FOR AN ORDER TO (1) ~~ESTABLISH AN APPROXIMATE 1,280-ACRE DRILLING AND SPACING UNIT FOR THE DEVELOPMENT AND OPERATION OF AMEND~~ **ORDER NO. 421-42 TO INCLUDE** THE CODELL, FORT HAYS AND CARLILE FORMATIONS, (2) AUTHORIZE **SIX (6)** ADDITIONAL WELLS FOR THE DEVELOPMENT AND OPERATION OF THE CODELL, NIOBRARA, FORT HAYS AND CARLILE FORMATIONS **AND FIVE (5) ADDITIONAL WELLS FOR THE DEVELOPMENT AND OPERATION OF THE NIOBRARA FORMATION**, AND (3) TO ALLOW FOR 300-FOOT REDUCED SETBACKS FOR SECTION 5, TOWNSHIP 10 NORTH, RANGE 63 WEST, 6TH P.M., AND SECTION 32, TOWNSHIP 11 NORTH, RANGE 63 WEST, 6TH P.M., HEREFORD FIELD, WELD COUNTY, COLORADO

CAUSE NO. 421

DOCKET NO. 171000707

TYPE: SPACING AND  
ADDITIONAL WELLS

**SECOND AMENDED APPLICATION**

COMES NOW Fifth Creek Energy Operating Company, LLC (Operator No. 10629) ("Applicant"), by and through its attorneys, Jost Energy Law, P.C., respectfully submits this Application to the Oil and Gas Conservation Commission of the State of Colorado (the "Commission") for an order to (1) ~~establish an approximate 1,280-acre drilling and spacing unit for the development and operation of amend Order No. 421-42 to include~~ the Codell, Fort Hays and Carlile Formations, (2) authorize up to six (6) new horizontal wells in the ~~proposed approximate~~ 1,280-acre drilling and spacing unit for the development and operation of the Codell, Fort Hays and Carlile Formations, (3) authorize an additional five (5) horizontal wells for the development and operation of the Niobrara Formation (for a total of up to twenty-one (21) wells for the development and operation of the Codell, Niobrara, Fort Hays and Carlile Formations), and (4) to allow for 300-foot reduced boundary setbacks and 150-foot inter-well setbacks in an approximate 1,280-acre drilling and spacing unit for Section 5, Township 10 North, Range 63 West, 6th P.M., and Section 32, Township 11 North, Range 63 West, 6th P.M., for the efficient and economic development of oil, gas and associated hydrocarbons from the Codell, Niobrara, Fort Hays and Carlile Formations underlying the below-described lands. 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 a registered operator in good standing with the Commission.

2. Applicant is an Owner as defined by the Colorado Oil and Gas Conservation Act, § 34-60-103(7) and the Commission 100 Series Rules, owns leasehold interests and/or has the right to drill and produce on the following lands (hereafter "Application Lands"):

Township 10 North, Range 63 West, 6<sup>th</sup> P.M.  
Section 5: All

Township 11 North, Range 63 West, 6th P.M.  
Section 32: All

1,280 acres, more or less, Weld County, Colorado

A reference map of the Application Lands is attached hereto.

I. Codell, Fort Hays and Carlile Formations.

3. Rule 318.a. of the Commission Rules provides a well to be drilled 2,500 feet or greater shall be located not less than 600 feet from any lease line, and shall be located not less than 1,200 feet from any other producible oil or gas well when drilling to the same common source of supply, unless authorized by the Commission upon hearing.

4. No Commission Orders apply to the Codell, Fort Hays or Carlile Formations for the Application Lands.

5. The records of the Commission reflect that no wells are currently producing in the Codell, Fort Hays or Carlile Formations on the Application Lands.

II. Niobrara Formation.

6. On October 21, 2010, the Commission entered Order No. 421-3 which, among other things, established 83 approximate 640-acre drilling and spacing units, and approved one horizontal well within each unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

7. On February 11, 2013, the Commission entered Order No. 421-42 which, among other things, vacated two approximate 640-acre drilling and spacing units established by Order No. 421-3 for Section 32, Township 11 North, Range 63 West, 6th P.M. and Section 5, Township 10 North, Range 63 West, 6th P.M., and established one approximate 1280-acre stand-up exploratory drilling and spacing unit for the Application

Lands, and approved up to ten wells within the unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation, with the bottomhole locations not less than 600 feet from the boundary of the drilling unit and not less than 460 feet from any other well or treated interval of a well producing from the Niobrara Formation, without exception being granted by the Director.

8. The records of the Commission reflect that no horizontal wells are currently producing from the Niobrara Formation in the Application Lands.

### III. Requested Relief.

9. To promote efficient drainage of the Codell, Fort Hays and Carlile Formations within the Application Lands, to protect correlative rights and to avoid waste, the Commission should ~~establish an approximate 1,280-acre drilling and spacing unit for the Application Lands for the development of~~ **amend Order No. 421-42 to include** the Codell, Fort Hays and Carlile Formations, and approve up to six (6) new horizontal wells within the ~~proposed~~ 1,280-acre drilling and spacing unit **established by Order No. 421-42** for the production, development and operation of oil, gas and associated hydrocarbons from the Codell, Fort Hays and Carlile Formations on the Application Lands.

10. To promote efficient drainage of the Niobrara Formation within the Application Lands, to protect correlative rights and to avoid waste, Applicant requests that this Commission authorize an additional five (5) horizontal wells, for a total of fifteen (15) horizontal wells, on the 1,280-acre drilling and spacing unit established for the Application Lands by Order No. 421-42 for production from the Niobrara Formation.

11. The Applicant maintains that there will be no more than ~~five (5)~~ **four (4)** well pads in the 1,280-acre drilling and spacing unit established for the Application Lands for the development and operation of the Codell, Niobrara, Fort Hays and Carlile Formations, to be located within the unit or adjacent thereto, unless an exception is granted by the Director.

12. Applicant requests that the treated interval of all horizontal wells in the Application Lands shall be no closer than 300 feet from the boundaries of the unit (regardless of the lease lines within the unit) and all horizontal wells shall be no closer than 150 feet from the treated interval of another well producing from the same source of supply within the unit, unless an exception is granted by the Director.

13. **Applicant agrees that approval of its request for reduced setbacks for the Codell, Fort Hays, and Carlile formations for 300 feet is conditioned on the adjacent lands having been approved for reciprocal 300-foot setbacks at the time the first well is drilled in the Application Lands.**

14. **The drilling and spacing unit contains federal minerals. As such, Applicant or successor operator agrees to submit a Communitization Agreement**

**(CA) to the BLM at least 90 days before the anticipated date of first production (as defined in the COGCC Rules) from the initial well drilled within the drilling and spacing unit.**

15. The undersigned certifies that copies of this Application will be served on each interested party as required by Rule 507 within seven (7) days of the filing hereof, as required by Rule 503.e.

16. 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 Commission Rules.

WHEREFORE, Applicant respectfully requests that this matter be set for hearing in **October 2017-January 2018**, that notice be given as required by law, and that upon such hearing, the Commission enter its order:

A. ~~Establishing an approximate 1,280-acre drilling and spacing unit for Section 5, Township 10 North, Range 63 West, 6th P.M., and Section 32, Township 11 North, Range 63 West, 6<sup>th</sup> P.M., and allowing Amending Order No. 421-42 to include the Codell, Fort Hays and Carlile Formations and authorizing up to six (6) new horizontal wells in the unit in order to efficiently and economically develop and recover the oil, gas and associated hydrocarbons from the Codell, Fort Hays and Carlile Formations in the proposed drilling and spacing unit.~~

B. Authorizing an additional five (5) horizontal wells, for a total of fifteen (15) horizontal wells, in an approximate 1,280-acre drilling and spacing unit established by Order No. 421-42 for Section 5, Township 10 North, Range 63 West, 6th P.M., and Section 32, Township 11 North, Range 63 West, 6th P.M, for production from the Niobrara Formation.

C. Providing that all horizontal wells shall be drilled from a total of ~~five (5)~~ **four (4)** well pads in the 1,280-acre drilling and spacing unit established for the Application Lands, to be located within such unit or adjacent thereto, unless an exception is granted by the Director.

D. Providing that the treated interval of each proposed horizontal well in the 1,280-acre drilling and spacing unit established for the Application Lands shall be no closer than 300 feet from the boundaries of the unit (regardless of the lease lines within the unit) and all horizontal wells shall be no closer than 150 feet from the treated interval of another well producing from the same source of supply within the unit, unless an exception is granted by the Director.

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

DATED November 27, 2017.

Respectfully submitted:

**FIFTH CREEK ENERGY OPERATING COMPANY, LLC**

By: 

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Fifth Creek Energy Operating Company, LLC  
Attn: Cody Truitt  
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VERIFICATION

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

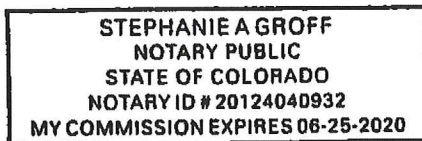
Cody Truitt, of lawful age, being first duly sworn upon oath, deposes and says that he is the Vice President of Engineering for Fifth Creek Energy Operating Company, LLC and that he has read the foregoing Amended Application and that the matters therein contained are true to the best of his knowledge, information and belief.

Cody Truitt  
Cody Truitt  
Vice President – Engineering  
Fifth Creek Energy Operating Company, LLC

Subscribed and sworn to before me this 21<sup>st</sup> day of November 2017.

Witness my hand and official seal.

[SEAL]



My commission expires: June 25, 2020

[Signature]  
Notary Public

Reference Map  
Fifth Creek Energy Operating Company, LLC

Township 10 North, Range 63 West, 6<sup>th</sup> P.M.  
Section 5: All

Township 11 North, Range 63 West, 6<sup>th</sup> P.M.  
Section 32: All

