

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

IN THE MATTER OF THE APPLICATION OF
NICKEL ROAD OPERATING LLC FOR AN
ORDER TO POOL ALL INTERESTS IN AN
APPROXIMATE 1,280-ACRE DRILLING AND
SPACING UNIT FOR SECTIONS 11 AND 12,
TOWNSHIP 7 NORTH, RANGE 67 WEST, 6TH
P.M., FOR THE DEVELOPMENT AND
OPERATION OF THE CODELL AND
NIOBRARA FORMATIONS, WATTENBERG
FIELD, WELD COUNTY, COLORADO.

CAUSE NO. 407

DOCKET NO.

TYPE: POOLING

APPLICATION

Nickel Road Operating, LLC (Operator No. 10669), together with Cobalt Oil & Gas, LLC and Prelude Petroleum, LLC, both of which are affiliates of Nickel Road Operating, LLC under common ownership and control (together, "Nickel Road" or "Applicant"), by and through its attorneys, Jost Energy Law, P.C., respectfully submits this for an order to pool all interests within an approximate 1,280-acre drilling and spacing unit, as defined below, for the development and operation of the Codell and Niobrara Formations on the following described lands:

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

Section 11: All

Section 12: All

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

Hereinafter "Application Lands"

In support thereof, 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, C.R.S. § 34-60-103(7), and the Commission 100 Series Rules, owns leasehold interests and/or has the right to drill and produce from the Application Lands.

3. On February 19, 1992, the Commission entered Order No. 407-87 (amended August 20, 1993) which, among other things, established 80-acre drilling and spacing units for the production of oil, gas and associated hydrocarbons from the Codell and Niobrara Formations, with permitted well locations in accordance with the

provisions of Order No. 407-1. The Application Lands are subject to this Order for the Codell and Niobrara Formations.

4. On April 27, 1998, 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 of the Cretaceous Age Formations from the base of the Dakota Formation to the surface. On December 5, 2005, Rule 318A was amended to allow interior infill and boundary wells to be drilled and wellbore spacing units to be established. On August 8, 2011, Rule 318A was amended to, among other things, address drilling of horizontal wells but did not prohibit the establishment of drilling and spacing units within the Greater Wattenberg Area. The lands encompassing the Application Lands are subject to Rule 318A for wells drilled and producing in the Codell and Niobrara Formations and are also subject to 460' subsurface setback.

5. On August 31, 2017, Applicant filed a corresponding application to establish a 1,280-acre drilling and spacing unit ("1,280-acre Drilling and Spacing Unit") for the Application Lands for the development and operation of the Codell and Niobrara Formations.

6. Applicant, pursuant to Commission Rule 530 and/or the provisions of C.R.S. § 34-60-116 (6) and (7), hereby requests an order to pool all interests, including but not limited to, any non-consenting interests, in the Application Lands in the Codell and Niobrara Formations underlying the approximate 1,280-acre Drilling and Spacing Unit established for the Application Lands.

7. Applicant requests that the Commission's pooling order be made effective as of the earlier of the date of this Application, or the date that the costs specified in C.R.S. § 34-60-116(7)(b) are first incurred for the drilling of any horizontal well to the Codell or Niobrara Formation on the Application Lands.

8. Applicant certifies that copies of this Application will be served on all persons owning an interest in the mineral estate of the tracts to be pooled within seven (7) days of the date hereof, as required by Rule 503.e., and that at least thirty-five (35) days prior to the hearing on this matter, each such interest owner not already leased or voluntarily pooled will be offered the opportunity to lease, or to participate in the drilling of any wells within the 1,280-acre Drilling and Spacing Unit, and will be provided with the information required by Rule 530 as applicable.

9. In order to prevent waste and to protect correlative rights, all interests in the Drilling and Spacing Unit should be pooled for the orderly development and operation of the Codell and Niobrara Formations, including any non-consenting interests therein.

10. 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 requests that this matter be set for hearing in October 2017, that notice be given as required by law, and that upon such hearing, the Commission enter its order:

A. Pooling all interests in the 1,280-acre Drilling and Spacing Unit established for Sections 11 and 12, Township 7 North, Range 67 West, 6th P.M. for the development and operation of the Codell and Niobrara Formations.

B. Providing that the Commission's pooling order is made effective as of the earlier of the date of this Application, or the date that any of the costs specified in C.R.S. § 34-60-116(7)(b) are first incurred for the drilling of any horizontal well in the 1,280-acre Drilling and Spacing Unit to the Codell or Niobrara Formation on the Application Lands.

C. Providing that the interests of any owners with whom the Applicant has been unable to secure a lease or other agreement to participate in the drilling of a horizontal well are pooled by operation of statute, pursuant to C.R.S. § 34-60-116(6) and (7), and made subject to the cost recovery provisions thereof with respect to any horizontal well drilled to develop the Codell and Niobrara Formations in the 1,280-acre Drilling and Spacing Unit comprising the Application Lands.

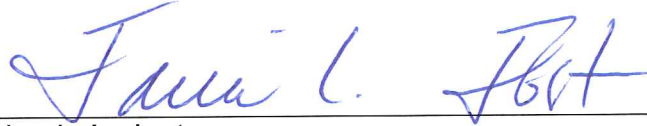
D. For such other findings and orders as the Commission may deem proper or advisable in this matter.

DATED August 31, 2017.

Respectfully submitted:

NICKEL ROAD OPERATING, LLC

By:



Jamie L. Jost
Kelsey H. Wasylenky
Jost Energy Law, P.C.
Attorneys for Applicant
1401 17th Street, Suite 370
Denver, Colorado 80202
(720) 446-5620
jjost@jostenergylaw.com
kwasylenky@jostenergylaw.com

Applicant's Address:
Nickel Road Operating, LLC
ATTN: Andrew Haney
999 18th St Suite 3370
Denver, Co 80202

VERIFICATION

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

Andrew Haney, of lawful age, being first duly sworn upon oath, deposes and says that he is the Managing Partner for Nickel Road Operating, LLC and that he has read the foregoing Protest and that the matters therein contained are true to the best of his knowledge, information and belief.




Andrew Haney
Managing Partner
Nickel Road Operating, LLC

Subscribed and sworn to before me this 31st day of August, 2017.

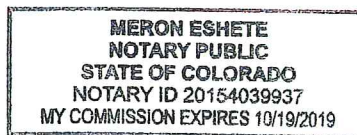
Witness my hand and official seal.

[SEAL]

My commission expires: 09/19/2019



Notary Public



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COUNTY, COLORADO.

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AFFIDAVIT OF MAILING

STATE OF COLORADO

)

)ss.

CITY AND COUNTY OF DENVER

)

I, Jamie L. Jost, of lawful age, and being first duly sworn upon my oath, state and declare that I am the attorney for Nickel Road Operating, LLC, and that on or before the 6th day of September, 2017, I caused a copy of the Application to be deposited in the United States Mail, postage prepaid, addressed to the parties listed on Exhibit A to this Affidavit.

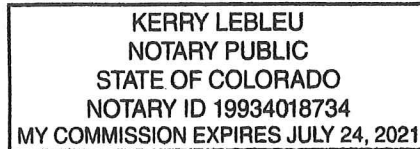



Jamie L. Jost

Subscribed and sworn to before me this 1st day of September 2017.

Witness my hand and official seal.

[SEAL]





Notary Public

Exhibit A
FP-T7N-R67W Sec 11 & 12

Crescent Point Energy U.S. Corp
555 17th St Suite 1800
Denver, CO 80202

Extraction Oil and Gas, LLC
370 17th St Suite 5300
Denver, CO 80202

DJ Resources, LLC
1600 Broadway Suite 1960
Denver, CO 80202

Prelude Petroleum, LLC
P.O. Box 8806
Denver, CO 80201

Cobalt Oil & Gas, LLC
P.O. Box 8806
Denver, CO 80201

Bayswater Resources, LLC
730 17th Street Suite 610
Denver , CO 80202

Bayswater Fund III-A, LLC
730 17th Street Suite 610
Denver , CO 80202

Lincoln Energy Partners II, LLC
852 Broadway, Suite 300
Denver, CO 80203

Lincoln Energy, LLC
P.O. Box 6975
Denver, CO 80206

Wytex Drilling Ventures, LLC
P.O. Box 280969
Lakewood, CO 80228

Andrew Lindblad
P.O. Box 1334
Ault, CO 80610

M.A. Lindblad O.G.R., LLC
13313 Highway 392
Greeley, CO 80631

CAMALU, LLC
13186 Highway 392
Greeley, CO 80631

Keith M. Roberts and Ruth Ann Roberts
343 Buckeye Avenue
Eaton, CO 80615

1949, Inc.
1125 17th St Suite 2500
Denver, CO 80202

Oklahoma State University Foundation
P.O. Box 1749
Stillwater, OK 74076

Lewis Properties, LLC
P.O. Box 936
Denver, CO 80201

The Estate of W R Edmonson:
DDFS Partnership, LP
5956 Sherry Lane, Suite 1221
Dallas, TX 75225

Sue Miles Chamlee Energy, LLC
2800 S. University #120
Denver, CO 80210

Calf Creek Royalty, Ltd.
P.O. Box 3240
Midland, TX 79702

Mekusukey Oil Company, LLC
P.O. Box 816
Wewoka, OK 74884

GRP Energy, LP
5956 Sherry Lane Suite 1221
Dallas, TX 75225

Royalty Asset Holdings, LP
5956 Sherry Lane Suite 1221
Dallas, TX 75225

David Holl
5226 Brookview Dr
Dallas, TX 75220

Mike's Oil Well, LLC
108 Martinek Lane
Palmer , TX 75152

Mary Ann Drake Trust
10010 Highway 14
Ault, CO 80610

Rebecca Lynn Schneider
122 48th Avenue
Greeley, CO 80634

City of Thornton
9500 Civic Center Dr
Thornton, CO 80229

Jeffry L Crowley
3500 Swanstone Drive No. 63
Fort Collins, CO 80525

Tres Amigos Royalty Company, LLC
P.O. Box 280969
Lakewood, CO 80228

Sandra L Bradley
11084 Hershey St
Sun Valley, CA 91352

Pawnee Butte Royalties LLC
P.O. Box 4631
Englewood, CO 80155

Susan Jane Weber Dyer
13434 Highway 14
Ault, CO 80610

James E Hyde III
2740 W. 86th Ave Unit 178
Westminster, CO 80031

Lynda Kammerzell
2431 110th Dr S.E.
Everett, WA 98205

Clark Uhrich
Park Forest Care Center
7045 Stuart Street
Westminster, CO 80030

Laura Cahill
748 Eudora Street
Denver, CO 80220

Dale McKinster
11353 Forest Dr
Thornton, CO 80233

Karen S. Burroughs Allen
4542 W. Pioneer Lane
Greeley, CO 80634

John Todd Burroughs
13924 Manor Way
Lynnwood, WA 98037

Sally Ann Miller
P.O. Box 4108
Eagle, CO 81631

LaMar Lance Steen
6529 High Dr
Mission Hills, KS 66208

Mardi Lee Steen Randal
P.O. Box 336302
Greeley, CO 80633

Cory Frederick Steen
1109 Valley View Rd
Glenwood Springs, CO 81601

Anadarko Land Corporation
1099 18th St Suite 1800
Denver, CO 80202

Kerr McGee Oil & Gas Onshore LP
1099 18th St Suite 1800
Denver, CO 80202