# SEP 1 5 2017 COGCC

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

IN THE MATTER OF THE APPLICATION OF	) Cause No. 535
BISON OIL AND GAS II, LLC FOR AN ORDER	)
VACATING ORDER NO. 535-3 AS TO THE	) Docket No. 171200764
APPLICATION LANDS AND ESTABLISHING AN	)
APPROXIMATE 960-ACRE DRILLING AND	) Type: SPACING
SPACING UNIT AND ESTABLISHING WELL	)
LOCATION RULES APPLICABLE TO THE	, )
DRILLING AND PRODUCING OF WELLS FROM	)
THE NIOBRARA, FT HAYS, CODELL, AND	, ·
CARLILE FORMATIONS COVERING CERTAIN	, )
LANDS IN SECTIONS 30 AND 31, TOWNSHIP 9	, )
NORTH, RANGE 60 WEST, 6TH P.M.,	, )
UNNAMED FIELD, WELD COUNTY,	, )
COLORADO.	, )
· ·	,

#### <u>APPLICATION</u>

Bison Oil & Gas II, LLC ("Applicant" or "Bison"), Operator No. 10661, by and through its attorneys, Welborn Sullivan Meck & Tooley, P.C., respectfully submits this Application to the Oil and Gas Conservation Commission of the State of Colorado ("Commission") for an order vacating Order No. 535-3 as to the Application Lands, and establishing an approximate 960-acre drilling and spacing unit and establishing well location rules applicable to the drilling of wells and producing of oil, gas and associated hydrocarbons from the Niobrara, Ft. Hays, Codell, and Carlile Formations covering certain lands in Weld County, Colorado. In support of its Application, Applicant states as follows:

- 1. Applicant is a limited liability company duly authorized to conduct business in Colorado.
- 2. Applicant, owns leasehold interest and/or the right to operate, and is an Owner as defined by Commission rules, in the following lands ("Application Lands"):

Township 9 North, Range 60 West, 6th P.M.

Section 30: S½
Section 31: All

Weld County, Colorado

A reference map of the Application Lands is attached as Exhibit B hereto.

- 3. Rule 318.a. of the Rules and Regulations of the Oil and Gas Conservation Commission requires that, on unspaced lands, wells drilled in excess of 2,500 feet in depth be located not less than 600 feet from any lease line, and located not less than 1,200 feet from any other producible or drilling oil or gas well when drilling to the same common source of supply. The Application Lands are subject to this Rule for the Niobrara, Ft. Hays, Codell, and Carlile Formations.
- 4. On March 8, 2011, as of February 22, 2011, the Commission entered Order No. 535-3, which established 160 approximate 640-acre drilling and spacing units for certain lands in Townships 8, 9, and 10, North, Ranges 58 through 61 West, 6<sup>th</sup> P.M., and approved one horizontal well in each unit, for the production of oil, gas, and associated hydrocarbons from the Niobrara Formation, with the treated interval of the wellbores to be located no closer than 600 feet from the unit boundaries, without exception being granted by the Director. The Application Lands are subject to this Order.
- 5 To promote efficient drainage of the Niobrara, Ft. Hays, Codell, and Carlile Formations within the Application Lands and to prevent waste, Applicant requests that the Commission vacate Order No. 535-3 as to the Application Lands, and establish an approximate 960-acre drilling and spacing unit covering the Application Lands described below for production of oil, gas and associated hydrocarbons from the Niobrara, Ft. Hays, Codell, and Carlile Formations:

Township 9 North, Range 60 West, 6th P.M.

Section 30: S½
Section 31: All

- 6. Applicant is requesting to drill and complete one (1) horizontal well in the approximate 960-acre drilling and spacing unit described above, with the option to drill and complete up to a total of twenty (20) horizontal wells in the unit for production of oil, gas and associated hydrocarbons from the Niobrara, Ft. Hays, Codell, and Carlile Formations with the surface location to be located at a legal location in the above-described drilling and spacing unit or on adjacent lands. Applicant further requests that the treated interval of each wellbore be no closer than 600 feet from the unit boundary, and no closer than 100 feet from the productive interval of any other wellbore located within the drilling and spacing unit, unless an exception is granted by the Director.
- 7. Applicant requests authority to drill only those wells necessary to determine the well density which allows the most efficient drainage of the Niobrara, Ft. Hays, Codell, and Carlile Formations, prevents waste, does not adversely affect correlative rights, and assures the greatest ultimate recovery of oil, gas and associated hydrocarbons from the Niobrara, Ft. Hays, Codell, and Carlile 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 such drilling and spacing unit. Applicant further maintains that wells drilled in the drilling and spacing unit will have no adverse effect on correlative rights of adjacent owners.
- 8. Applicant states that the wells are drilled from no more than two (2) well pads within the unit or from a legal location on adjacent lands.

9. The names and addresses of the interested parties according to the information and belief of the Applicant are set forth in <u>Exhibit A</u> attached hereto and made a part hereof, and the undersigned certifies that copies of this Application shall be served on each interested party within seven (7) days after filing of the Application as required by Rules 503.e., 507.b.1., and 507.c.

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 consistent with Applicant's proposals as set forth above.

Dated this 14 day of September, 2017.

Respectfully submitted,

WELBORN SULLIVAN MECK & TOOLEY, P.C.

By:

Joseph C. Pierzchala

Geoffrey W. Storm

Welborn Sullivan Meck & Tooley, P.C.

Attorneys for Applicant

1125 - 17th Street, Suite 2200

Denver, CO 80202

303-830-2500

jpierzchala@wsmtlaw.com

gstorm@wsmtlaw.com

Attorneys for Bison Oil & Gas II, LLC

## Applicant's Address:

Bison Oil & Gas II, LLC 518 17<sup>th</sup> Street, Suite 1800 Denver, CO 80202

Attn: Robert Pierini Phone: (720) 644-6997

### **VERIFICATION**

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

Robert Pierini, Land Manager for Bison Oil & Gas II, LLC, 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.

BISON OIL & GAS II, LLC

Robert Pierini Land Manager

Subscribed and sworn to before me this 4 th day of September 2017 by Robert Pierini, Land Manager for Bison Oil & Gas II, LLC.

Witness my hand and official seal.

LAURA ROBINSON NOTARY PUBLIC STATE OF COLORADO NOTARY ID 20164041978 MY COMMISSION EXPIRES NOVEMBER 2, 2020

Notary Public My Commission Expires:

### **EXHIBIT A**

#### **INTERESTED PARTIES**

Troy Swain
Weld County
Department of Planning Services
1555 North 17<sup>th</sup> Ave.
Greeley CO 80631

Colorado Department of Public Health and Environment Attn: Kent Kuster, Oil and Gas Liaison 4300 Cherry Creek Dr. South Denver, CO 80246-1530

Colorado Division of Wildlife Northeast Region Office 6060 Broadway Denver, CO 80216

#### **EXHIBIT A**

#### **INTERESTED PARTIES**

Morning Gun Exploration, LLC Noble Energy, Inc. Noble Energy WyCo, LLC JAL Interests, LLC DPOC, LLC Antelope Energy Company Centennial Mineral Holdings, LLC Jeffrey Mark Fleming Taylor Gandy Greg H. Johnson Phil Rugeley Coyote Petroleum John G. Osborne Todd M. Waggoner JSW Energy, LLC BYA Energy, LLC Sky W. Gomer Brooks Ratzlaff Heirs of W. C. Moore Department of the Interior Bureau of Land Management

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

IN THE MATTER OF THE APPLICATION OF	) Cause No. 535	
BISON OIL AND GAS II, LLC FOR AN ORDER	)	
VACATING ORDER NO. 535-3 AS TO THE	) Docket No. 17120	0764
APPLICATION LANDS AND ESTABLISHING AN	)	
APPROXIMATE 960-ACRE DRILLING AND	) Type: SPACING	
SPACING UNIT AND ESTABLISHING WELL	)	
LOCATION RULES APPLICABLE TO THE	)	
DRILLING AND PRODUCING OF WELLS FROM	)	
THE NIOBRARA, FT HAYS, CODELL, AND	)	
CARLILE FORMATIONS COVERING CERTAIN	)	
LANDS IN SECTIONS 30 AND 31, TOWNSHIP 9	)	
NORTH, RANGE 60 WEST, 6TH P.M.,	)	
UNNAMED FIELD, WELD COUNTY,	)	
COLORADO.	)	

### **AFFIDAVIT OF MAILING**

STATE OF COLORADO §

CITY AND COUNTY OF DENVER §

I, Geoffrey W. Storm, of lawful age, and being first duly sworn upon my oath, state and declare:

That I am the attorney for Bison Oil & Gas II, LLC and that on or before September/5, 2017, I caused a copy of the attached Application to be deposited in the United States mail, postage prepaid, addressed to the parties listed on Exhibit A to the Application.

Geoffrey W. Storm

Subscribed and sworn to before me September <u>5</u>, 2017.

Witness my hand and official seal.

MELISSA A. MORMAN NOTARY PUBLIC STATE OF COLORADO NOTARY ID 19894012434 MY COMMISSION EXPIRES AUGUST 29, 2021 Melioser D. Molmen.

Notary Public

My commission expires: 08 | 34 | 303 |

7

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

IN THE MATTER OF THE	) Cause No. 535
PROMULGATION AND ESTABLISHMENT	)
OF FIELD RULES TO GOVERN	) Docket No. 171200764
OPERATIONS FOR THE NIOBRARA, FT	)
HAYS, CODELL, AND CARLILE	) Type: SPACING
FORMATIONS, UNNAMED FIELD, WELD	)
COUNTY, COLORADO	j

# BISON OIL & GAS II, LLC'S MOTION FOR AN ORDER OF SERVICE BY PUBLICATION

Bison Oil & Gas II, LLC, Operator No. 10661 ("Bison" or "Applicant"), by its attorneys, Welborn Sullivan Meck & Tooley, P.C., respectfully submits this motion for an order of service by publication ("Motion") to the Colorado Oil and Gas Conservation Commission ("Commission" or "COGCC"). In support of its Motion, Bison states:

### A. Factual and Procedural History.

- 1. Bison is a limited liability company duly authorized to conduct business in the State of Colorado, is a registered operator in good standing with the Commission, and is an interested party in the subject matter of the above-referenced Docket as the applicant and owner of certain leasehold interests and/or operator in the Application Lands described below.
- 2. The Commission has jurisdiction over the subject matter embraced in said Docket, and of the parties interested therein, and jurisdiction to promulgate the hereinafter prescribed order pursuant to the Oil and Gas Conservation Act.
- 3. On September 14, 2017, Bison filed an application in Docket No. 171200764 to establish an approximate 960-acre drilling and spacing unit covering the S½ of Section 30, and all of Section 31, Township 9 North, Range 60 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Niobrara, Ft. Hays, Codell, and Carlile Formations and allowing up to twenty (20) horizontal wells in the unit.
- 4. Copies of the Applications were served on all locatable interested parties pursuant to Rule 507.b.(1) and pursuant to Rule 503.e. (the "Interested Parties" or individually "Interested Party").
- 5. Upon reasonable due diligence, which is further detailed herein, Bison was unable to find address information for the following Interested Parties:

#### a. Heirs of W.C. Moore

(hereinafter "Unlocatable Interested Parties").

- 6. Bison listed the contact information for the above Unlocatable Interested Parties as "Address Unknown" in the Applications.
- 7. The Commission has determined that in order for publication by notice to be effective as to persons with unknown addresses, the Applicant must first comply with Colorado Rule of Civil Procedure 4(g), which authorizes service of process by publication only after the Applicant files a verified motion with the Commission detailing Applicant's attempts to provide actual notice of the proceedings and the Commission grants the motion.

#### B. <u>Standard of Review</u>.

1. C.R.S. 34-60-108(4) provides:

"Any notice required by this article, except as provided in this section, shall be given by the commission either by mailing a copy thereof, postage prepaid, to the last known mailing address of the person to be given notice, or by personal service. In addition, the commission shall cause one publication of such notice, at least ten days prior to the hearing, in a newspaper of general circulation in the city and county of Denver and in a newspaper of general circulation in the county where the land affected, or some part thereof, is situated...In all cases where there is an application for the entry of a pooling order or unitization order...notice of the hearing to be held on such application or complaint shall be served on the interested parties either by mail as provided in this subsection (4) or in the same manner as is provided in the Colorado rules of civil procedure for the service of process in civil actions in the district courts of this state."

- 2. Commission Rule 519 states that "[t]he Colorado Rules of Civil Procedure apply to Commission proceedings unless they are inconsistent with Commission Rules or the Colorado Oil and Gas Conservation Act."
  - 3. C.R.C.P. Rule 4(g) provides:

"Except as otherwise provided by law, service by mail or publication shall be allowed only in actions affecting specific property or status or other proceedings in rem. When service is by publication, the complaint need not be published with the summons. The party desiring service of process by mail or publication under this section (g) shall file a motion verified by the oath of such party or of someone in the party's behalf for an order of service by mail or publication. It shall state the facts authorizing such service, and shall show the efforts, if any, that have been made to obtain

personal service and shall give the address, or last known address, of each person to be served or shall state that the address and last known address are unknown. The court, if satisfied that due diligence has been used to obtain personal service or that efforts to obtain the same would have been to no avail, shall:

- (1) Order the party to send by registered or certified mail a copy of the process addressed to such person at such address, requesting a return receipt signed by the addressee only. Such service shall be complete on the date of the filing of proof thereof, together with such return receipt attached thereto signed by such addressee, or
- (2) Order publication of the process in a newspaper published in the county in which the action is pending. Such publication shall be made once each week for five successive weeks. Within 14 days after the order the party shall mail a copy of the process to each person whose address or last known address has been stated in the motion and file proof thereof. Service shall be complete on the day of the last publication. If no newspaper is published in the county, the court shall designate one in some adjoining county."

## C. <u>Bison's Due Diligence in Attempting to Locate the Unlocatable Interested Parties.</u>

In attempting to locate a last known address for the Unlocatable Interested Parties, Bison's title research analyst utilized the social security database to determine the last state of residence of the Unlocatable Interested Parties, researched state probate records to determine heirship, researched quiet title decrees, researched the Weld County Clerk and Recorder records, and utilized online research tools LexisNexis, Accurant, and Intelius. As of the date of this Motion, Bison is unable to find addresses for the Unlocatable Interested Parties.

#### D. Relief Requested

WHEREFORE, Bison respectfully requests the following relief:

- 1. That the Commission order publication of the process, in the form attached hereto, in the Applications subject to the above-referenced Dockets in a newspaper published in Denver County, Colorado.
- 2. For such other findings and orders as the Commission may deem proper or advisable in this matter.

Dated: October 5, 2017

Respectfully submitted,

BISON OIL & GAS II, LLC

By:

Joseph C. Pierzchala Geoffrey W. Storm

Welborn Sullivan Meck & Tooley, P.C.

Attorneys for Applicant

1125 17th Street, Suite 2200

Denver, CO 80202

303-830-2500

 $jpierzchala @\,wsmtlaw.com$ 

gstorm@wsmtlaw.com

#### **VERIFICATION**

STATE OF COLORADO	)
	) ss
COUNTY OF DENVER	)

Robert Pierini, Land Manager with Bison Oil & Gas II, LLC, upon oath deposes and says that he has read the foregoing Motion for an Order of Service by Publication and that the statements contained therein are true to the best of his knowledge, information and belief.

BISON OIL & GAS II, LLC

Robert Pierini Land Manager

Subscribed and sworn to before me this 5th day of October, 2017, by Robert Pierini, Land Manager with Bison Oil & Gas II, LLC.

Witness my hand and official seal.

My commission expires: (1/2/2020)

Notary Public

LAURA ROBINSON NOTARY PUBLIC STATE OF COLORADO NOTARY ID 20164041978 MY COMMISSION EXPIRES NOVEMBER 2, 2020

#### **CERTIFICATE OF SERVICE**

I hereby certify that, on October 5, 2017, I caused a copy of BISON OIL & GAS II, LLC'S MOTION FOR AN ORDER OF SERVICE BY PUBLICATION to be served pursuant to Rule 509.3.(E) to the addressed listed below.

Via electronic mail and courier:

Colorado Oil and Gas Conservation Commission

ATTN: James Rouse

1120 Lincoln Street, Suite 810

Denver, CO 80203

james.rouse@state.co.us