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

IN THE MATTER OF THE APPLICATION OF) Cause No. 535
BISON OIL & GAS II, LLC FOR AN ORDER)
MODIFYING AN ESTABLISHED 640-ACRE) Docket No. 171200786
DRILLING AND SPACING UNIT AND	,)
ESTABLISHING WELL LOCATION RULES) Type: SPACING AND
APPLICABLE TO THE DRILLING AND) INCREASED DENSITY
PRODUCING OF WELLS FROM THE	,)
NIOBRARA, FT HAYS, CODELL, AND CARLILE)
FORMATIONS COVERING SECTION 15,	
TOWNSHIP 8 NORTH, RANGE 61 WEST, 6TH	RECEIVED
P.M., UNNAMED FIELD, WELD COUNTY,)
COLORADO.	RECEIVED OCT 0 6 2017
	1 00000
	COGCC

APPLICATION

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 modifying Order No. 535-92 to include the Ft. Hays, Codell, and Carlile Formations, to allow additional wells within the unit, and to establish 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 8 North, Range 61 West, 6th P.M. Section 15: 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 October 31, 2011, the Commission entered Order No. 535-92, which established two approximate 640-acre drilling and spacing units for Section 14 and Section 15, Township 8 North, Range 61 West, 6th P.M., and approved up to two horizontal wells 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, and no closer than 1,200 feet from the treated interval of any other wellbore, without exception being granted by the Director. The Application Lands are subject to this Order for the Niobrara Formation.
 - 5. No horizontal wells have been drilled on the Application Lands.
- 6. 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 modify Order No. 535-92 to include the Ft. Hays, Codell, and Carlile Formations, and to allow additional wells within the established 640-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 8 North, Range 61 West, 6th P.M. Section 15: All

- 7. Applicant is requesting to drill and complete one (1) horizontal well in the approximate 640-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.
- 8. 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.
- 9. Applicant states that the wells are drilled from no more than three (3) well pads within the unit or from a legal location on adjacent lands.

10. 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 4¹¹ day of October, 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

Applicant's Address:

Bison Oil & Gas II, LLC 518 17th 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 <u>3</u>rd day of October 2017 by Robert Pierini, Land Manager for Bison Oil & Gas II, LLC.

Witness my hand and official seal.

Notary Public

My Commission Expires: March 8, 2020

ABIGAIL WENK
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20164009689
MY COMMISSION EXPIRES MARCH 8, 2020

EXHIBIT A

INTERESTED PARTIES

Troy Swain
Weld County
Department of Planning Services
1555 North 17th 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

Noble Energy VII, LLC
Carrizo (Niobrara) LLC
Oil India (USA) Inc.
Haimo Oil & Gas, LLC
IOCL (USA) Inc.
Calier Capital, LLC
Investmart, LLC
HYMCO Ventures, LLC
Centennial Mineral Holdings, LLC
Calf Creek Royalty Ltd.
LHB Weld, LLC
Mike's Oil Well LLC
Yggdrasil Minerals, LLC

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)	
MODIFYING AN ESTABLISHED 640-ACRE)	Docket No. 171200786
DRILLING AND SPACING UNIT AND)	
ESTABLISHING WELL LOCATION RULES)	Type: SPACING
APPLICABLE TO THE DRILLING AND)	
PRODUCING OF WELLS FROM THE)	
NIOBRARA, FT HAYS, CODELL, AND CARLILE)	
FORMATIONS COVERING SECTION 15,)	
TOWNSHIP 8 NORTH, RANGE 61 WEST, 6TH)	
P.M., UNNAMED FIELD, WELD COUNTY,)	
COLORADO.)	

AFFIDAVIT OF MAILING

STATE OF COLORADO

8080

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 October 9, 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 October $\underline{\mathcal{G}}$, 2017.

Witness my hand and official seal.

My commission expires: $\sqrt{29/3621}$

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