

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

IN THE MATTER OF THE APPLICATION OF  
CONOCOPHILLIPS COMPANY FOR AN  
ORDER TO POOL ALL INTERESTS IN TWO (2)  
WELLS IN AN APPROXIMATE 1,280-ACRE  
DRILLING AND SPACING UNIT IN SECTIONS  
32 AND 33, TOWNSHIP 3 SOUTH, RANGE 64  
WEST, 6<sup>TH</sup> P.M., IN THE NIOBRARA  
FORMATION, UNNAMED FIELD, ADAMS  
COUNTY, COLORADO

CAUSE NO. 535

DOCKET NO. 171200\_\_\_\_\_

TYPE: POOLING

**APPLICATION**

COMES NOW ConocoPhillips Company (Operator No. 19160), including its wholly owned subsidiary Burlington Resources Oil & Gas LP (Operator No. 26580) (together, "COPC" or "Applicant"), by its attorneys, Jost Energy Law, P.C., and makes this application to the Oil and Gas Conservation Commission of the State of Colorado ("Commission") for an order to pool all interests within an approximate 1,280-acre drilling and spacing unit established for Sections 32 and 33, Township 3 South, Range 64 West, 6<sup>th</sup> P.M., and to subject any nonconsenting interests to the cost recovery provisions of §34-60-116(7), C.R.S., for the drilling of the Fraser 3-64 33-32 3AH well and the Fraser 3-64 33-32 3DH well (API Nos. Pending) ("Wells"), for the development and operation of the Niobrara Formation on the below-described lands:

Township 3 South, Range 64 West, 6<sup>th</sup> P.M.

Section 32: All

Section 33: All

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

Hereinafter "Application Lands."

In support thereof, COPC states and alleges as follows:

1. COPC is a Delaware corporation duly authorized to conduct business in the State of Colorado, and is a registered operator in good standing with the Commission.
2. COPC and/or its subsidiary company Burlington Resources Oil & Gas Company LP are Owners as defined by the Colorado Oil and Gas Conservation Act and the Commission's 100 Series Rules and own certain leasehold interests or the right to operate leasehold interests in the Application Lands.
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.

4. On September 15, 2014, the Commission entered Order No. 535-531, which, among other things, vacated a well location exception established by Order No. 535-101 for Section 31, Township 3 South, Range 64 West, 6th P.M., established an approximate 1,280-acre exploratory drilling and spacing unit for Sections 31 and 32, Township 3 South, Range 64 West, 6th P.M., approved up to two horizontal wells within the unit, and provided that the productive interval of the wellbore shall be located no closer than 460 feet from the unit boundaries, and no closer than 960 feet from the productive interval of any other wellbore located in the unit, without exception being granted by the Director, for the production of oil, gas, and associated hydrocarbons from the Niobrara Formation.

5. On or around January 19, 2017, Bison Oil & Gas, LLC filed an Application in Docket No. 170300149 to, among other things, vacate Order No. 535-531 and establish an approximate 640-acre drilling and spacing unit for Section 32, Township 3 South, Range 64 West, for production of oil, gas and associated hydrocarbons from the Niobrara Formation, and to authorize up to sixteen (16) horizontal wells in the 640-acre unit with the treated interval of each wellbore to be no closer than 150 feet from the treated interval of any other wellbore producing from the Niobrara Formation within the unit, and no closer than 460 feet from the unit boundary, without exception being granted by the Director. COPC filed a Protest to Bison Oil & Gas, LLC's Application on March 6, 2017.

6. On or around January 19, 2017, Bison Oil & Gas, LLC filed an Application in Docket No. 170300153 to, among other things, vacate Order No. 535-530 and establish an approximate 1,280-acre drilling and spacing unit for Sections 33 and 34, Township 3 South, Range 64 West, for production of oil, gas and associated hydrocarbons from the Niobrara Formation, and to authorize up to sixteen (16) horizontal wells in the 1,280-acre unit with the treated interval of each wellbore to be no closer than 150 feet from the treated interval of any other wellbore producing from the Niobrara Formation within the unit, and no closer than 460 feet from the unit boundary, without exception being granted by the Director. COPC filed a Protest to Bison Oil & Gas, LLC's Application on March 6, 2017.

7. On or around March 2, 2017, COPC filed an Application in Docket No. 170500294 for an order to 1) vacate Order No. 535-531; 2) establish an approximate 1,280-acre drilling and spacing unit for the Application Lands, and to allow up to two (2) horizontal wells in the unit in order to efficiently and economically develop and recover the oil, gas and associated hydrocarbons from the Niobrara Formation in the unit; 3) providing that the treated interval any horizontal well shall be no closer than 460 feet from the boundaries of the unit and not less than 150 feet from the treated interval of another well within the unit, and authorizing up to one (1) well pad in the unit, or adjacent thereto, unless an exception is granted by the Director; 4) finding that an approximate 1,280-acre drilling and spacing unit for the development of the Niobrara Formation on the Application Lands will prevent waste, protect correlative rights, and maximize the efficient and

economic production of the Niobrara Formation in the Application Lands; and 5) for such other findings and orders as the Commission may deem proper or advisable in this matter.

8. On or around March 2, 2017, pursuant to Docket No. 170500294, COPC filed two (2) Form 2 APDs to drill the Fraser 3-64 33-32 3AH and Fraser 3-64 33-32 3DH wells for the production of oil, gas and associated hydrocarbons from the Niobrara Formation. COPC's APD's are status pending with the COGCC.

9. On March 20, 2017, the Commission entered Order No. 535-769 which, among other things, (1) vacated an approximate 1280-acre exploratory drilling and spacing unit established by Order No. 535-531 for Sections 31 and 32, Township 3 South, Range 64 West, 6th P.M., for the production of oil, gas, and associated hydrocarbons from the Niobrara Formation; (2) vacated an approximate 640-acre drilling and spacing unit established by Order No. 535-702 for Section 36, Township 3 South, Range 65 West, 6th P.M., for the production of oil, gas, and associated hydrocarbons from the Niobrara Formation; and (3) established an approximate 1280-acre drilling and spacing unit for Section 36, Township 3 South, Range 65 West, 6th P.M., and Section 31, Township 3 South, Range 64 West, 6th P.M., and approved one horizontal well in the unit for the production of oil, gas and associated hydrocarbons from of the Niobrara Formation.

10. On April 17, 2017, Bison Oil & Gas, LLC filed a Protest to COPC's Application in Docket No. 170500294. COPC's Application in Docket No. 170500294 is scheduled to be heard at the Commission's October 30-31, 2017 hearing.

11. On April 17, 2017, the Hearing Officer entered an Order dismissing Bison Oil & Gas, LLC's Applications in Docket Nos. 170300149 and 170300153 for lack of standing and failure to state a plausible claim for relief.

12. On July 14, 2017, Bison filed a "Substitute" Applications in Docket Nos. 170900634 and 170900635 seeking the same relief as Docket Nos. 170300149 and 170300153. COPC filed Protests to Bison's Applications in Docket Nos. 170900634 and 170900635 on July 31, 2017. Bison's Applications in Docket Nos. 170900634 and 170900635 are scheduled to be heard at the Commission's October 30-31, 2017 hearing.

13. COPC, 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 in the approximate 1,280-acre drilling and spacing unit established by the pending order in Docket No. 170500294 for the Application Lands, for the development and operation of the Wells in the Niobrara Formation, and to subject any nonconsenting interests to the cost recovery provisions of §34-60-116(7), C.R.S., 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 the Wells for the development and operation of the Niobrara Formation.

14. COPC 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 the Wells, and will be provided with the information required by Rule 530 as applicable.

15. In order to allow for more efficient reservoir drainage, prevent waste, assure a greater ultimate recovery of hydrocarbons, and to correlative rights, all interests in the 1,280-acre drilling and spacing unit should be pooled for the orderly development and operation of the Wells in the Niobrara Formation, including any non-consenting interests therein.

WHEREFORE, COPC requests that this matter be set for hearing on December 12, 2017, that notice be given as required by law, and that upon such hearing, the Commission enter its order:

A. Pooling all interests in an approximate 1,280-acre drilling and spacing unit established for the Application Lands for the development and operation of the Niobrara Formation, effective as of the earlier of the date of the Application, or the date that any of the costs specified in §34-60-116(7)(b)(II), C.R.S., are first incurred for the drilling of the Fraser 3-64 33-32 3AH well and the Fraser 3-64 33-32 3DH well (API Nos. Pending) ("Wells").

B. Providing that the production obtained from the Wells shall be allocated to each owner in the unit on the basis of the proportion that the number of acres in such tract bears to the total number of mineral acres within the drilling and spacing unit; each owner of an interest in the drilling and spacing unit shall be entitled to receive its share of the production of the Wells applicable to its interest in the drilling and spacing unit.

C. Providing that any working interest owner who does not elect to participate in the Wells or fails to make a timely election is hereby deemed to be nonconsenting and is subject to the penalties as provided for in §34-60-116(7), C.R.S. The nonconsenting working interest owner must reimburse the consenting owners for his proportionate share of the costs and risks of drilling and operating the Wells from his proportionate share of production, subject to non-cost bearing interests, until costs and penalties are recovered as set forth in §34-60-116(7), C.R.S.

D. Providing that any unleased owner who does not elect to participate in the Well(s) or fails to make a timely election is hereby deemed to be nonconsenting and is subject to the penalties as provided for in §34-60-116(7), C.R.S.

E. Providing that each nonconsenting unleased owner within the drilling and spacing unit shall be treated as the owner of the landowner's royalty to the extent of 12.5% of its record title interest, whatever that interest may be, until such time as the consenting owners recover, only out of each nonconsenting owner's proportionate 87.5% share of production, the costs specified in §34-60-116(7)(b), C.R.S., as amended. After recovery of such costs, each unleased nonconsenting mineral owner shall then own its proportionate 8/8ths share of the Wells, surface facilities and production, and then be

liable for its proportionate share of further costs incurred in connection with the Wells as if it had originally agreed to the drilling.

F. Providing that the operator of the Wells drilled on the above-described drilling and spacing unit shall furnish the nonconsenting owners with a monthly statement of all costs incurred, together with the quantity of oil and gas produced, and the amount of proceeds realized from the sale of production during the preceding month.

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

Dated: October 12, 2017.

Respectfully submitted:

**CONOCOPHILLIPS COMPANY**

By: 

\_\_\_\_\_  
Jamie L. Jost  
Kelsey H. Wasylenky  
Jost Energy Law, P.C.  
Attorneys for Applicant  
1401 17<sup>th</sup> Street, Suite 370  
Denver, Colorado 80202  
(720) 446-5620

COPC's Address:

ConocoPhillips Company  
Attn: Mark Salvie  
600 N. Dairy Ashford Road  
Houston, TX 77079-1069

## VERIFICATION

STATE OF TEXAS

)

) ss.

COUNTY OF HARRIS

)

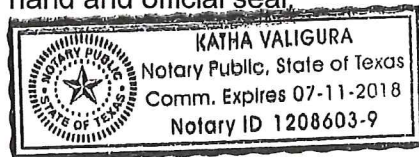
Mark Salvie, of lawful age, being first duly sworn upon oath, deposes and says that he is a Senior Landman for ConocoPhillips Company, and that he has read the foregoing Application and that the matters therein contained are true to the best of his knowledge, information and belief.

Mark Salvi

Mark Salvie  
Senior Landman  
ConocoPhillips Company

Subscribed and sworn to before me this 11<sup>th</sup> day of October, 2017.

Witness my hand and official seal.



My commission expires: 7-11-2018

Katha Valignia  
Notary Public

Notary Public

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WEST, 6<sup>TH</sup> P.M., IN THE NIOBRARA  
FORMATION, UNNAMED FIELD, ADAMS  
COUNTY, COLORADO

TYPE: POOLING

KERRY LEBLEU  
NOTARY PUBLIC  
STATE OF COLORADO  
NOTARY ID 19934018734  
MY COMMISSION EXPIRES JULY 24, 2021

**Exhibit A**  
**FP-Fraser 3-64 32-33**

Bison Exploration, LLC  
P.O. Box 1168  
Denver, CO 80201

Burlington Resources Oil & Gas Company LP  
600 N. Dairy Ashford Rd.  
Houston, TX 77079

ConocoPhillips Company  
600 N. Dairy Ashford Rd.  
Houston, TX 77079

DEOSH Limited Partnership  
PO Box 13308  
Denver, CO 80201

Job Mollohan  
1106 Bannock St.  
Denver, CO 80204

John J. Houlihan, IV  
29 Huntwick Lane  
Englewood, CO 80113

Lang Family Trust, dated September 1, 2011  
PO Box 850  
Parker, CO 80138

Pamco Investments Corp.  
3900 S. Wadsworth Blvd., Suite 495  
Denver, CO 80235

Pauline T. Cavanaugh  
1441 East 105th Place  
Northglenn, CO 80233



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COUNTY, COLORADO

CAUSE NO. 535

DOCKET NO. 171200834

TYPE: POOLING

**SUPPLEMENTAL AFFIDAVIT OF MAILING**

STATE OF COLORADO

)

)ss.

CITY AND COUNTY OF DENVER

)

The undersigned, of lawful age and being first duly sworn upon my oath, state and declare that I am the attorney for ConocoPhillips Company, and that on or before the 27th day of October, 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.



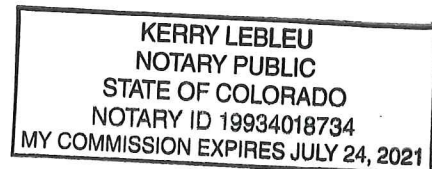
Jamie L. Jost

Kelsey H. Wasylenky

Subscribed and sworn to before me this 26<sup>th</sup> day of October, 2017.

Witness my hand and official seal.

[SEAL]

  
Notary Public

**EXHIBIT A**  
**COPC – FP – Fraser 3-64 32-33**

Anadarko Land Corporation  
Attn: Manager/Land Administrator  
P.O. Box 173779  
Denver, CO 80217-3779

Anadarko E&P Onshore LLC  
Attn: Manager/Land Administrator  
P.O. Box 173779  
Denver, CO 80217-3779

Athanasea Constan Stathopoulos  
4014 S. Niagara Way  
Denver, CO 80237

Elizabeth Jean Peters, fka Elizabeth  
Jean Behrens  
14575 Road G  
Cortez, CO 81321

Mary Jane Guhl, fka Mary Jane  
Behrens  
20439 E. Doane Dr.  
Aurora, CO 80013

Watkins Development Associates,  
LLC.  
1385 S. Willow St.  
Denver, CO 80247

John B. Baranway  
35500 E. Colfax Ave., #H-1  
Watkins, CO 80137

Anadarko E&P Onshore LLC  
Attn: John Hasche  
1099 18th St., Suite 1800  
Denver, CO 80202

Robert J. Behrens  
47770 E. 56th Ave.  
Bennett, CO 80102

Barbara Joan Adams, fka Barbara Joan  
Behrens  
55015 E. Wolfcreek Dr.  
Strasburg, CO 80136

Francis Joseph Behrens  
1675 Longbranch,  
Strasburg, CO 80136

Board of County Commissioners, Adams  
County, Colorado  
4430 South Adams County Pkwy., 5th  
Floor  
Brighton, CO, 80601-8204

Hylaine J. Hein  
1325 N. Quail Run Rd.  
Watkins, CO, 80137

Anadarko Land Corporation  
Attn: John Hasche  
1099 18th St., Suite 1800  
Denver, CO 80202

William F. Behrens  
47770 E. 56th Ave.  
Bennett, CO 80102

Beverly Jeane Smith & Robert Kenneith  
Smith  
P.O. Box 51,  
Poncha Springs, CO 81242

Lawrence James Behrens  
34893 E. Wolfcreek Dr.  
Strasburg, CO 80136

Colorado Department of Transportation  
4201 East Arkansas Avenue  
Denver, CO 80222

Gayle Epperson  
P.O. Box 522,  
Watkins, CO 80137-0522