

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

IN THE MATTER OF THE PROMULGATION AND ) CAUSE NO. 535  
ESTABLISHMENT OF FIELD RULES TO )  
GOVERN OPERATIONS FOR THE CODELL, ) DOCKET NO.  
FORT HAYS AND CARLILE FORMATIONS, )  
UNNAMED FIELD, WELD COUNTY, COLORADO ) TYPE: SPACING

APPLICATION

Pursuant to C.R.S. § 34-60-116, Mallard Exploration, LLC (Operator # 10670) ("Applicant"), respectfully submits this Application to the Oil and Gas Conservation Commission of the State of Colorado (the "Commission") for an order to establish one approximate 640-acre drilling and spacing unit for the Codell, Fort Hays and Carlile Formations on the following lands:

Township 8 North, Range 60 West, 6<sup>th</sup> P.M.  
Section 35: All

Weld County, Colorado ("Application Lands"), and approve up to four horizontal wells within the unit for the production of oil, gas and associated hydrocarbons from the Codell Formation.

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 an operator in good standing with the Commission.
2. Applicant owns leasehold interests in the Application Lands. A reference map of the Application Lands is attached as Exhibit A.
3. Rule 318.a. requires that wells drilled in excess of 2,500 feet in depth be located not less than: 600 feet from any lease line' and 1,200 feet from any other producible or drilling oil or gas well that has same common source of supply. Section 35, Township 8 North, Range 60 West are subject to this Rule for the Codell, Fort Hays and Carlile Formations.
4. Pursuant to C.R.S. § 34-60-116, Applicant requests that the Commission establish one approximate 640-acre drilling and spacing unit for the Codell, Fort Hays and Carlile Formations underlying the Application Lands and authorize up to 4 horizontal wells within the unit for the production of oil, gas and associated hydrocarbons from the Codell Formation with the productive interval of each such wellbore located no closer than 600 feet from the unit boundaries, and no closer than 150 feet from the productive interval of any other wellbore located within the unit, without exception being granted by the Director.

5. Applicant requests that the Commission authorize four wellpads within the unit or upon adjacent lands.

6. Applicant asserts that establishing the proposed drilling and spacing unit will allow for the economic and efficient drainage of the Codell Formation, will prevent waste, will not adversely affect correlative rights, and will assure the greatest ultimate recovery of oil, gas and associated hydrocarbons from the Codell Formation. The Fort Hayes and Carlile Formations are non-target formations and are included in the drilling and spacing unit in the event the horizontal wellbore of the proposed wells deviate into these formations.

7. The proposed drilling and spacing unit is not smaller than the maximum area that can be economically and efficiently drained by the proposed wells in the Codell Formation.

8. Pursuant to Rule 507.b.(1), the undersigned certifies that copies of this Application shall be served on each interested party as required by Rule 503.e.

WHEREFORE, Applicant respectfully requests that this matter be set for hearing, that notice be given as required by law, and that upon such hearing the Commission enter its order:

A. Establishing one approximate 640-acre drilling and spacing unit for the Codell, Fort Hayes and Carlile Formations comprised of the Application Lands for the development of and production from the Codell Formation;

B. Authorizing up to four horizontal wells within the unit for the production of oil, gas and associated hydrocarbons from the Codell Formation with the productive interval of each wellbore located no closer than 600 feet from the unit boundaries, and no closer than 150 feet from the productive interval of any other wellbore located within the unit, without exception being granted by the Director;

C. Authorizing four wellpads within the unit or upon adjacent lands; and

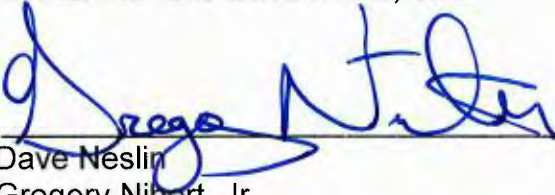
D. For such other findings and orders as the Commission may deem proper or advisable in the matter.

Dated: October 12, 2017.

Respectfully submitted:

**MALLARD EXPLORATION, LLC**

By: \_\_\_\_\_

A handwritten signature in blue ink, appearing to read "Gregory Nibert, Jr.", written over a horizontal line.

Dave Neslin  
Gregory Nibert, Jr.  
Davis Graham & Stubbs LLP  
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Denver, Colorado 80202  
(303) 892-9400

Applicant's Address:  
Mallard Exploration, LLC  
ATTN: Jordan Mattson  
1821 Blake Street, Suite 2B  
Denver, CO 80202

**VERIFICATION**

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

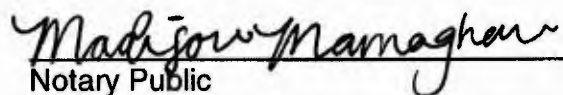
Jordan Mattson, of lawful age, being first duly sworn upon oath, deposes and says that he is the Vice President of Land for Mallard Exploration, LLC and that he has read the foregoing Application and that the matters therein contained are true to the best of his knowledge, information and belief.

  
\_\_\_\_\_  
Jordan Mattson  
Vice President - Land  
Mallard Exploration, LLC

Subscribed and sworn to before me this 11 day of October, 2017.

Witness my hand and official seal.

MADISON MAMAGHANI  
NOTARY PUBLIC  
STATE OF COLORADO  
NOTARY ID 20174036078  
COMMISSION EXPIRES AUG. 29, 2021

  
\_\_\_\_\_  
Notary Public

# Exhibit A: Application Lands

Section 35, 8N 60W

8N60W	27	26	25	
	34	35	36	
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7N60W				