

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 NIOBRARA) DOCKET NO.
FORT HAYS, CODELL, AND CARLILE)
FORMATIONS, UNNAMED FIELD, WELD) TYPE: SPACING
COUNTY, COLORADO

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 amend Order 535-379 to include the Fort Hays, Codell, and Carlile Formations and approve up to 12 additional horizontal wells within the previously established 640-acre drilling and spacing unit in Section 36, Township 8 North, Range 60 West for the production of oil, gas and associated hydrocarbons from the Niobrara and Codell Formations.

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 following lands:

Township 8 North, Range 60 West, 6th P.M.
Section 36: All

Weld County, Colorado (“Application Lands”). A reference map of the Application Lands is attached as Exhibit A.

3. On July 29, 2013, the Commission entered Order 535-379, which among other things, established an approximate 640-acre drilling and spacing unit in Section 36, Township 8 North, Range 60 West, and approved four horizontal well within the unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

4. 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 36, Township 8 North, Range 60 West is subject to this Rule for the Fort Hays, Codell, and Carlile Formations.

5. Pursuant to C.R.S. § 34-60-116, Applicant requests that the Commission amend Order No. 535-379 to include the Fort Hays, Codell, and Carlile Formations and approve up to 16 horizontal wells within the 640-acre drilling and spacing unit previously established for the Application Lands, with 12 horizontal wells to be drilled to the

Niobrara Formation and four horizontal wells to be drilled to the Codell Formation. The productive interval of each such wellbore shall be 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.

6. Applicant requests that the Commission authorize up to four wellpads within the unit or upon adjacent lands.

7. Applicant asserts that amending Order 535-379 to include the Fort Hays, Codell, and Carlile Formations and approving the additional wells within the previously established drilling and spacing unit will allow for the economic and efficient drainage of the Niobrara and Codell Formations, will prevent waste, will not adversely affect correlative rights, and will assure the greatest ultimate recovery of oil, gas and associated hydrocarbons from the Niobrara and Codell Formations. 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.

8. The drilling and spacing unit is not smaller than the maximum area that can be economically and efficiently drained by the additional proposed wells in these formations.

9. 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. Amending Order 535-379 to include the Fort Hays, Codell, and Carlile Formations;

B. Authorizing 12 additional wells for a total of 16 horizontal wells within the unit, with 12 horizontal wells to be drilled to the Niobrara Formation and four horizontal wells to be drilled to the Codell Formation. The productive interval of each wellbore shall be 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 up to four wellpads within the unit or upon adjacent lands; and

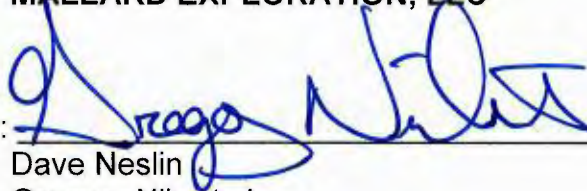
D. For such other findings and orders as the Commission may deem proper or advisable in the matter.

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
1550 Seventeenth Street, Suite 500
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.

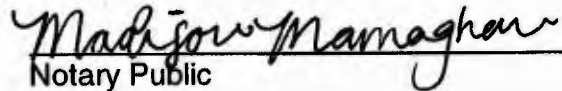


Jordan Mattson
Vice President - Land
Mallard Exploration, LLC

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 36, 8N 60W

BIRSON	26	25	30
35	36	31	
ZIMSON	2	1	6