

**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 ESTABLISH AN APPROXIMATE
1280-ACRE DRILLING AND SPACING UNIT
FOR THE DRILLING OF UP TO TWO NEW
HORIZONTAL WELLS WITH WELL LOCATION
RULES FOR THE NIOBRARA FORMATION IN
SECTIONS 2 AND 3, TOWNSHIP 5 SOUTH,
RANGE 65 WEST, 6TH P.M., UNNAMED FIELD,
ARAPAHOE COUNTY, COLORADO

CAUSE NO. 535

DOCKET NO. 171200863

TYPE: SPACING

APPLICATION

ConocoPhillips Company (Operator No. 19160) and its wholly owned subsidiary Burlington Resources Oil & Gas LP (Operator No. 26580) (together, "Applicant" or "COPC"), by and through its attorneys, Jost Energy Law, P.C., respectfully submits this Application to the Oil and Gas Conservation Commission of the State of Colorado (the "Commission") for an order to establish an approximate 1280-acre drilling and spacing unit and to approve up to two new horizontal wells within the unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation underlying the below-described lands. In support of its Application, Applicant states and alleges as follows:

1. Applicant is a Delaware corporation duly organized and authorized to conduct business in the State of Colorado.

2. Applicant is an Owner as defined by the Colorado Oil and Gas Conservation Act and/or owns leasehold interests or holds the right to drill and operate on the following lands (hereafter "Application Lands"):

Township 5 South, Range 65 West, 6th P.M.

Section 2: All

Section 3: All

1280 acres, more or less, Arapahoe County, Colorado.

A reference map of the Application Lands is attached 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 Formation.

4. The records of the Commission reflect that one horizontal well is currently producing from the Niobrara Formation in the Application Lands, the State Massive 1H well (API No. 05-005-07221) operated by Applicant. Applicant respectfully requests that the State Massive-1H well be excluded in the proposed 1280-drilling and spacing unit for the purposes of payment of proceeds.

5. The records of the Commission reflect that there is one permitted horizontal well with a sidetrack for the Niobrara Formation in the Application Lands, State Challenger 5-65 2-3 3BYH well (API No. 05-005-07327-00) and the State Challenger 5-65 2-3 3BYH well (API No. 05-005-07327-01) operated by Applicant. Applicant respectfully requests that the State Challenger 5-65 2-3 3BYH well be excluded in the proposed 1280-drilling and spacing unit for the purposes of payment of proceeds.

6. To promote efficient drainage within the Niobrara Formation of the Application Lands, to protect correlative rights and to avoid waste, the Commission should establish an approximate 1280-acre drilling and spacing unit for Sections 2 and 3, Township 5 South, Range 65 West, 6th P.M., and to approve up to two new horizontal wells within the unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

7. The above proposed drilling and spacing unit will allow efficient drainage of the Niobrara Formation; will prevent waste; will not adversely affect correlative rights and will assure the greatest ultimate recovery of gas and associated hydrocarbon substances from the reservoirs. The unit of the size and shape specified above is not smaller than the maximum area that can be economically and efficiently drained by the proposed wells in the unit.

8. Applicant is requesting to drill and complete up to two (2) new horizontal wells within the proposed unit in order to efficiently and economically recover the oil, gas and associated hydrocarbons from the Niobrara Formation within the Application Lands, and there will be no adverse effect on correlative rights of adjacent owners.

9. The Applicant maintains that there will be no more than two new well pads in the unit, or adjacent thereto, unless an exception is granted by the Director.

10. The productive interval of each proposed horizontal well shall be no closer than 600 feet from the boundaries of the unit (regardless of the lease lines within the unit) and all horizontal wells shall be no closer than 150 feet from the productive interval of another well producing from the same source of supply within the unit, unless an exception is granted by the Director.

11. The undersigned certifies that copies of this Application will be served on each interested party within seven (7) days of the filing hereof, as required by Rule 503.e.

WHEREFORE, Applicant respectfully 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 this Commission enter its order to:

A. Establish an approximate 1280-acre drilling and spacing unit for Sections 2 and 3, Township 5 South, Range 65 West, 6th P.M., and approve up to two (2) new 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;

B. Provide that the State Massive 1H Well (API No. 05-005-07221) be excluded from the proposed 1280-acre drilling and spacing unit, for the payment of proceeds;

C. Provide that the State Challenger 5-65 2-3 3BYH Well (API No. 05-005-07327) and the sidetrack be excluded from the proposed 1280-acre drilling and spacing unit, for the payment of proceeds;

D. Provide that the productive interval any horizontal well shall be no closer than 600 feet from the boundaries of the unit and not less than 150 feet from the productive interval of another well within the unit, and authorizing up two new well pads in the unit, or adjacent thereto, unless an exception is granted by the Director.

E. Finding that an approximate 1280-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.

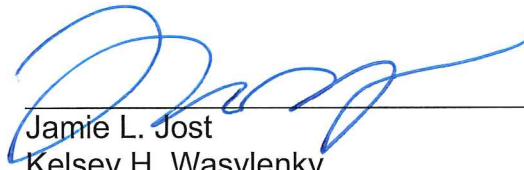
F. For such other findings and orders as the Commission may deem proper or advisable in this matter.

DATED this 12th day of October, 2017.

Respectfully submitted:

ConocoPhillips Company

By:



Jamie L. Jost

Kelsey H. Wasylenky

Jost Energy Law, P.C.

Attorneys for Applicant

1401 17th Street, Suite 370

Denver, Colorado 80202

(720) 446-5620

Applicant's Address:

ConocoPhillips Company

Attn: Marie Guiffreda

600 N. Dairy Ashford Road

Houston, TX 77079-1069

VERIFICATION

STATE OF TEXAS

)

) ss.

COUNTY OF HARRIS

)

Marie Guiffreda, of lawful age, being first duly sworn upon oath, deposes and says that she is an Associate Landman for ConocoPhillips Company, and that she has read the foregoing Application and that the matters therein contained are true to the best of his knowledge, information and belief.

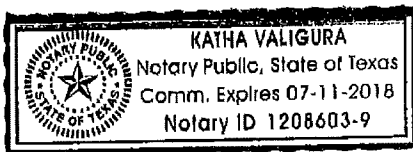
Marie Guiffreda

Marie Guiffreda
Associate Landman
ConocoPhillips Company

Subscribed and sworn to before me this 12 day of October, 2017.

Witness my hand and official seal.

[SEAL]



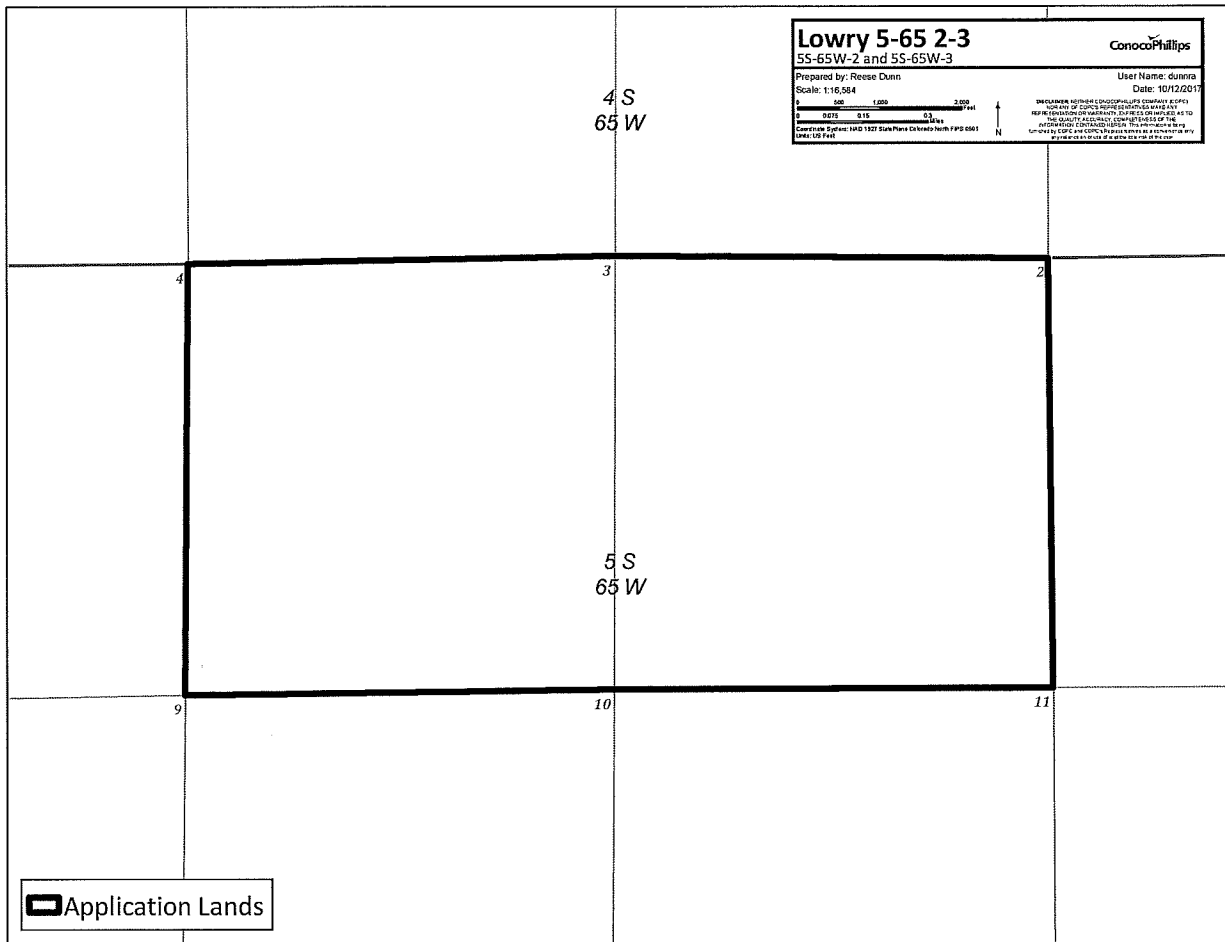
My commission expires: 7-11-2018

Katha Valigura

Notary Public

Reference Map
ConocoPhillips Company

Sections 2 and 3, Township 5 South, Range 65 West, 6th P.M.



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ARAPAHOE COUNTY, COLORADO

TYPE: SPACING

Notary Public

Exhibit A
SP- Lowry 2-3

State of Colorado Board of Land
Commissioners
Suite 300
1127 Sherman Street
Denver, CO 80203

ConocoPhillips Company
600 North Dairy Ashford
Houston, 77079

Kent Kuster
Colorado Department of Public Health &
Environment
4300 Cherry Creek Drive South
Denver, CO 80246-1530

Brandon Marette – Energy Liason
Colorado Parks and Wildlife
Northeast Regional Office
6060 Broadway
Denver, CO 80216

Diane Kocis
Arapahoe County Public
Works and Development
6924 South Lima Street
Centennial, CO 80112