

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

IN THE MATTER OF THE AMENDED)	Cause No. 535
APPLICATION OF EDGE ENERGY II, LLC)	
FOR AN ORDER VACATING ORDER NO.)	Docket No. 180100036
535-7 AND ESTABLISHING FOUR)	
APPROXIMATE 1,280-ACRE DRILLING)	Type: SPACING
AND SPACING UNITS AND)	
ESTABLISHING WELL LOCATION RULES)	
APPLICABLE TO THE DRILLING AND)	
PRODUCING OF WELLS FROM THE)	
NIOBRARA, FORT HAYS, CODELL AND)	
CARLILE NIOBRARA FORMATIONS FOR)	
CERTAIN LANDS IN TOWNSHIPS 10 AND)	
11 NORTH, RANGES 65 AND 66 WEST,)	
6TH P.M., UNNAMED FIELD, WELD)	
COUNTY, COLORADO.)	

AMENDED APPLICATION

Edge Energy II, LLC, Operator No. 10671 (“Applicant” or “Edge”), by and through its attorneys, Welborn Sullivan Meck & Tooley, P.C., respectfully submits this **Amended** Application to the Oil and Gas Conservation Commission of the State of Colorado (“Commission”) for an order vacating Order No. 535-7, only as it pertains to the Application Lands, and establishing four approximate 1,280-acre drilling and spacing units and establishing well location rules applicable to the drilling of wells and producing of oil, gas, and associated hydrocarbons from the **Niobrara, Fort Hays, Codell and Carlile Niobrara** Formations covering certain lands in Townships 10 and 11 North, Ranges 65 and 66 West, 6th P.M., Weld County, Colorado. In support of its **Amended** Application, Applicant states as follows:

1. Applicant is a limited liability company duly authorized to conduct business in the State of Colorado and is a registered operator in good standing with the Commission.
2. Applicant owns leasehold interests in the following lands (“Application Lands”) and is therefore an owner as defined by Commission Rules and the Conservation Act with standing to bring this **Amended** Application:

Drilling and Spacing Unit (“DSU”) No. 1

Township 11 North, Range 66 West, 6th P.M.

Section 33: All

Section 34: All

DSU No. 2

Township 11 North, Range 66 West, 6th P.M.

Section 26: All

Section 35: All

DSU No. 3

Township 11 North, Range 66 West, 6th P.M.

Section 25: All

Section 36: All

DSU No. 4

Township 11 North, Range 65 West, 6th P.M.

Section 31: All

Township 10 North, Range 65 West, 6th P.M.

Section 6: All

A reference map of the Application Lands is attached hereto.

3. Rule 318.a. provides that a well drilled in excess of 2,500 feet in depth shall be located not less than 600 feet from any lease line, and shall be located not less than 1,200 feet from any other producible or drilling oil or gas well when drilling to the same source of supply, unless authorized by order of the Commission upon hearing. All of the Application Lands are subject to this Rule for the Codell Formation. Section 6, Township 10 North, Range 65 West, 6th P.M., and Sections 26 and 36, Township 11 North, Range 66 West, 6th P.M., are subject to this Rule for the Niobrara, **Fort Hays, and Carlile** Formations.

4. On April 4, 2011, the Commission issued Order No. 535-7 which established fifty-one (51) approximate 640-acre drilling and spacing units for certain lands located Townships 9 through 11 North, Ranges 64 through 67 West, 6th P.M., and allow one horizontal well in each of the units, for the production of gas and associated hydrocarbons from the Niobrara Formation. Section 31, Township 11 North, Range 65 West, 6th P.M., and Sections 25, 33, 34, and 35, Township 11 North, Range 66 West, 6th P.M. of the Application Lands are subject to this Order for the Niobrara Formation.

5. There are no existing horizontal wells within the Application Lands.

6. To promote efficient drainage within the **Niobrara, Fort Hays**, Codell and **Carlile Niobrara** Formations of the Application Lands, to protect correlative rights and to avoid waste, the Commission should vacate Order No. 535-7, only as it pertains to the Application Lands, and establish four approximate 1,280-acre drilling and spacing units for the Application Lands and approve a total of up to twelve (12) horizontal wells within each unit.

7. Applicant requests that the productive interval of the permitted horizontal wells within the units be located no closer than 150 from the productive interval of any other horizontal wellbore within the same unit producing oil, gas, and associated hydrocarbons from the **Niobrara, Fort Hays**, Codell and **Carlile Niobrara** Formations and be located no closer than 600 feet from the unit boundaries, without exception being granted by the Director.

8. Applicant requests the establishment of the above-proposed drilling and spacing units and authority to drill only those wells necessary to determine the well density that will allow for efficient drainage of the **Niobrara, Fort Hays**, Codell and **Carlile Niobrara** Formations, will prevent waste, will not adversely affect correlative rights and will assure the greatest ultimate recovery of oil, gas and associated hydrocarbon substances from the **Niobrara, Fort Hays**, Codell and **Carlile Niobrara** Formations. Applicant maintains that the proposed drilling and spacing units are not smaller than the maximum area that can be economically and efficiently drained by the proposed wells in such drilling and spacing units. Applicant further maintains that wells drilled in the above-proposed drilling and spacing units will have no adverse effect on correlative rights of adjacent owners.

9. The Applicant states the proposed horizontal wells will be drilled from no more than four locations within **each unit** ~~the units~~ or at a legal location(s) on adjacent lands, without exception being granted by the Director.

10. DSU No. 3 contains Colorado State Board of Land Commissioners (State Land Board) leased and/or unleased minerals. A Communitization Agreement ("CA") with the State Land Board will be required for all wells drilled under the terms of this order. Applicant agrees to submit a CA prior to drilling operations for a well within the drilling and spacing unit.

11. DSU Nos. 2 and 4 contain federal minerals. As such, Applicant agrees to submit a CA to the BLM at least 90 days before the anticipated date of first production (as defined in the COGCC Rules) from the initial well drilled within the drilling and spacing units.

12. The names and addresses of the interested parties according to the information and belief of the Applicant are set forth in Exhibit A attached hereto and made a part hereof, and the undersigned certifies that copies of this **Amended** Application shall be served on each interested party within the next seven days as required by Rule 503.e and 507.b.(1).

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 21 day of **December** ~~November~~, 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

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Denver, CO 80202

303-830-2500

Applicant's Address:

621 17th St., Ste. 1401

Denver, CO 80293

Attn: Erik Larsen; Ben Turner

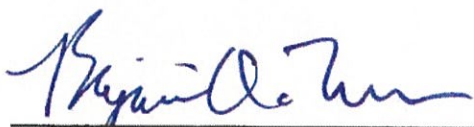
Phone: 720-599-3650

VERIFICATION

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

Benjamin Turner, Engineer with Edge Energy II, LLC, upon oath deposes and says that he has read the foregoing **Amended** Application and that the statements contained therein are true to the best of his knowledge, information and belief.

EDGE ENERGY II, LLC

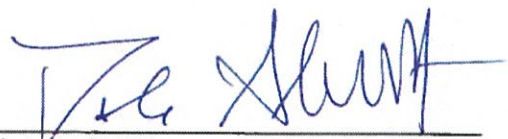


Benjamin O. Turner

Subscribed and sworn to before me this 21st day of December, 2017, by Benjamin Turner for Edge Energy II, LLC.

Witness my hand and official seal.

DALE SCOTT ALBRECHT
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20164040854
MY COMMISSION EXPIRES OCTOBER 26, 2020



Notary Public
My Commission Expires: 10/26/20

EXHIBIT A

INTERESTED PARTIES

Weld County Department of Planning Services

Troy Swain
1555 North 17th Avenue
Greeley CO 80631

Colorado Department of Public Health and Environment

Kent Kuster
4300 Cherry Creek Drive South
Denver, CO 80246-1500

Colorado Parks and Wildlife

Brandon Marette
Northeast Region Office
6060 Broadway
Denver, CO 80216

DSU No. 1 – Secs. 33 and 34, T11N, R66W

30 Mile Ranch LLC

PO Box 528
Kersey, CO 80644

DSU No. 2 – Secs. 26 and 35, T11N, R66W

30 Mile Ranch LLC

PO Box 528
Kersey, CO 80644

DSU No. 3 – Secs. 25 and 36, T11N, R66W

30 Mile Ranch LLC

PO Box 528
Kersey, CO 80644

Board of Land Commissioners

Colorado State Land Board

1127 Sherman St,
Denver, CO 80203

30 Mile Ranch LLC

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Houston, TX 77024

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Oro Valley, AZ 85737

United States of America

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Lakewood, CO 80215

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Cheyenne, WY 82009