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 640-ACRE DRILLING AND SPACING UNIT FOR THE DRILLING OF UP TO TWO NEW HORIZONTAL WELLS WITH WELL LOCATION RULES FOR THE NIOBRARA FORMATION IN SECTION 36, TOWNSHIP 5 SOUTH, RANGE 65 WEST, 6TH P.M., UNNAMED FIELD, ARAPAHOE COUNTY, COLORADO

CAUSE NO. 535

DOCKET NO. 180100____

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 640-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 36: All

640 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 no horizontal wells are currently producing from the Niobrara Formation in the Application Lands.
- 5. 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 640-acre drilling and spacing unit for Section 36, 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 from the Niobrara Formation.
- 6. 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.
- 7. 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.
- 8. 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.
- 9. 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.
- 10. 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 January 29, 2018, that notice be given as required by law, and that upon such hearing this Commission enter its order to:

- A. Establish an approximate 640-acre drilling and spacing unit for Section 36, 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 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.

- C. Finding that an approximate 640-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.
- D. For such other findings and orders as the Commission may deem proper or advisable in this matter.

DATED this 28th day of November 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)
COUNTY OF HARRIS) ss.)
that she is an Associate Landman for	being first duly sworn upon oath, deposes and says ConocoPhillips Company, and that she has read the atters therein contained are true to the best of her
	rie Giuffreda sociate Landman
	nocoPhillips Company
Subscribed and sworn to before me th	is 13 th day of November, 2017.
Witness my hand and official seal.	KATHA VALIGURA Notary Public, State of Texas
[SEAL]	Comm. Expires 07-11-2018 Notary ID 1208603-9
My commission expires: $7-11-2$	018
Kortho Valigina	

Notary Public

Reference Map ConocoPhillips Company

Section 36, Township 5 South, Range 65 West, 6th P.M.

27	26	25	30
	T5S R65W		
34	35	36	31
3	2	1	6

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IN THE MATTER OF THE APPLICATION OF CONOCOPHILLIPS COMPANY FOR AN ORDER TO ESTABLISH AN APPROXIMATE 640-ACRE DRILLING AND SPACING UNIT FOR THE DRILLING OF UP TO TWO NEW HORIZONTAL WELLS WITH WELL LOCATION RULES FOR THE NIOBRARA FORMATION IN SECTION 36, TOWNSHIP 5 SOUTH, RANGE 65 WEST, 6TH P.M., UNNAMED FIELD, ARAPAHOE COUNTY, COLORADO

CAUSE NO. 535

DOCKET NO. 180100

TYPE: SPACING

AFFIDAVIT OF MAILING

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

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 day of November, 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 Abyday of November, 2017.

Witness my hand and official seal.

[SEAL]

Notary Public

EXHIBIT A COPC – LOWRY – SP - 5-65 36

ConocoPhillips Company 600 N. Dairy Ashford Houston, TX 77077

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 640-ACRE DRILLING AND SPACING UNIT FOR THE DRILLING OF UP TO TWO NEW HORIZONTAL WELLS WITH WELL LOCATION RULES FOR THE NIOBRARA FORMATION IN SECTION 36, TOWNSHIP 5 SOUTH, RANGE 65 WEST, 6TH P.M., UNNAMED FIELD, ARAPAHOE COUNTY, COLORADO

CAUSE NO. 535

DOCKET NO. 180100044

TYPE: SPACING

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 30th day of November, 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 30th day of November, 2017.

Witness my hand and official seal.

[SEAL]

Notary Public

KERRY LEBLEU
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 19934018734

MY COMMISSION EXPIRES JULY 24, 2021

EXHIBIT A COPC – LOWRY – SP - 5-65 36

ConocoPhillips Company 600 N. Dairy Ashford Houston, TX 77077

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

Brandon Marette - Energy Liaison 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