



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

| | | |
|--|---|----------------------|
| IN THE MATTER OF THE APPLICATION OF |) | Cause No. 535 |
| BISON OIL & GAS II, LLC FOR AN ORDER |) | |
| MODIFYING AN ESTABLISHED 640-ACRE |) | Docket No. 180100052 |
| DRILLING AND SPACING UNIT AND |) | |
| ESTABLISHING WELL LOCATION RULES |) | Type: SPACING AND |
| APPLICABLE TO THE DRILLING AND |) | INCREASED DENSITY |
| PRODUCING OF WELLS FROM THE |) | |
| NIOBRARA, FT HAYS, CODELL, AND CARLILE |) | |
| FORMATIONS COVERING SECTION 20, |) | |
| TOWNSHIP 8 NORTH, RANGE 59 WEST, 6TH |) | |
| P.M., UNNAMED FIELD, WELD COUNTY, |) | |
| COLORADO. |) | |

APPLICATION

Bison Oil & Gas II, LLC (“Applicant” or “Bison”), Operator No. 10661, by and through its attorneys, Welborn Sullivan Meck & Tooley, P.C., respectfully submits this Application to the Oil and Gas Conservation Commission of the State of Colorado (“Commission”) for an order modifying Order No. 535-69 as to the Application Lands to include the Ft. Hays, Codell, and Carlile Formations, to allow additional wells within the unit, and to establish well location rules applicable to the drilling of wells and producing of oil, gas and associated hydrocarbons from the Niobrara, Ft. Hays, Codell, and Carlile Formations covering certain lands in Weld County, Colorado. In support of its Application, Applicant states as follows:

1. Applicant is a limited liability company duly authorized to conduct business in Colorado.
2. Applicant, owns leasehold interest and/or the right to operate, and is an Owner as defined by Commission rules, in the following lands (“Application Lands”):

Township 8 North, Range 59 West, 6th P.M.
Section 20: All

Weld County, Colorado

A reference map of the Application Lands is attached as Exhibit B 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 Ft. Hays, Codell, and Carlile Formations.

4. On September 19, 2011, the Commission entered Order No. 535-69, which established forty (40) approximate 640-acre drilling and spacing units for certain lands in Weld County, Colorado, one covering Section 20, Township 8 North, Range 59 West, 6th P.M., and approved two horizontal wells in each unit, for the production of oil, gas, and associated hydrocarbons from the Niobrara Formation, with the treated interval of the wellbores to be located no closer than 600 feet from the unit boundaries, without exception being granted by the Director. The Application Lands are subject to this Order for the Niobrara Formation.

5. No horizontal wells have been drilled on the Application Lands.

6. On May 5, 1997, the Commission approved a Form 2 Application for Permit-to-Drill the Malo 09-20 well (API No. 05-123-19392), to the J-Sand Formation. The well was subsequently spud, and produced, from the J-Sand Formation. On July 22, 2011, the Commission approved a Form 2 Application for Permit-to-Recomplete the Malo 09-20 well to the Niobrara Formation. The well was subsequently recompleted, and continues to produce, from the Niobrara Formation. Applicant requests that the Malo 09-20 well will not be affected by the proposed spacing unit and order, and that all applicable Commission rules and orders be maintained such that proceeds from the sale of oil or gas from the Malo 09-20 well shall continue to be distributed based on those applicable Commission rules and orders.

7. To promote efficient drainage of the Niobrara, Ft. Hays, Codell, and Carlile Formations within the Application Lands and to prevent waste, Applicant requests that the Commission modify Order No. 535-69 as to the Application Lands to include the Ft. Hays, Codell, and Carlile Formations, and to allow additional wells within the established 640-acre drilling and spacing unit covering the Application Lands described below for production of oil, gas and associated hydrocarbons from the Niobrara, Ft. Hays, Codell, and Carlile Formations:

Township 8 North, Range 59 West, 6th P.M.
Section 20: All

8. Applicant is requesting to drill and complete one (1) horizontal well in the approximate 640-acre drilling and spacing unit described above, with the option to drill and complete up to a total of twenty (20) horizontal wells in the unit for production of oil, gas and associated hydrocarbons from the Niobrara, Ft. Hays, Codell, and Carlile Formations with the surface location to be located at a legal location in the above-described drilling and spacing unit or on adjacent lands. Applicant further requests that the treated interval of each wellbore be no closer than 600 feet from the unit boundary, and no closer than 100 feet from the productive interval of any other wellbore located within the drilling and spacing unit, unless an exception is granted by the Director.

9. Applicant requests authority to drill only those wells necessary to determine the well density which allows the most efficient drainage of the Niobrara, Ft. Hays, Codell, and Carlile Formations, prevents waste, does not adversely affect correlative rights, and assures the greatest ultimate recovery of oil, gas and associated hydrocarbons. The drilling and spacing unit is

not smaller than the maximum area that can be economically and efficiently drained by the proposed wells in such drilling and spacing unit. Applicant further maintains that wells drilled in the drilling and spacing unit will have no adverse effect on correlative rights of adjacent owners.

10. Applicant states that the wells are drilled from no more than two (2) well pads within the unit or from a legal location on adjacent lands.

11. 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 Application shall be served on each interested party within seven (7) days after filing of the Application as required by Rules 503.e., 507.b.1., and 507.c.

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 29th day of 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
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Applicant's Address:

Bison Oil & Gas II, LLC
518 17th Street, Suite 1800
Denver, CO 80202

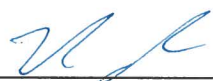
Attn: Robert Pierini
Phone: (720) 644-6997

VERIFICATION

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

Robert Pierini, Land Manager for Bison Oil & Gas II, LLC, upon oath deposes and says that he has read the foregoing Application and that the statements contained therein are true to the best of his knowledge, information and belief.

BISON OIL & GAS II, LLC



Robert Pierini
Land Manager

Subscribed and sworn to before me this 29th day of November, 2017 by Robert Pierini, Land Manager for Bison Oil & Gas II, LLC.

Witness my hand and official seal.



Notary Public
My Commission Expires: March 8, 2020

ABIGAIL WENK
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20164009689
MY COMMISSION EXPIRES MARCH 8, 2020

EXHIBIT A

INTERESTED PARTIES

Troy Swain
Weld County
Department of Planning Services
1555 North 17th Ave.
Greeley CO 80631

Colorado Department of Public Health and Environment
Attn: Kent Kuster, Oil and Gas Liaison
4300 Cherry Creek Dr. South
Denver, CO 80246-1530

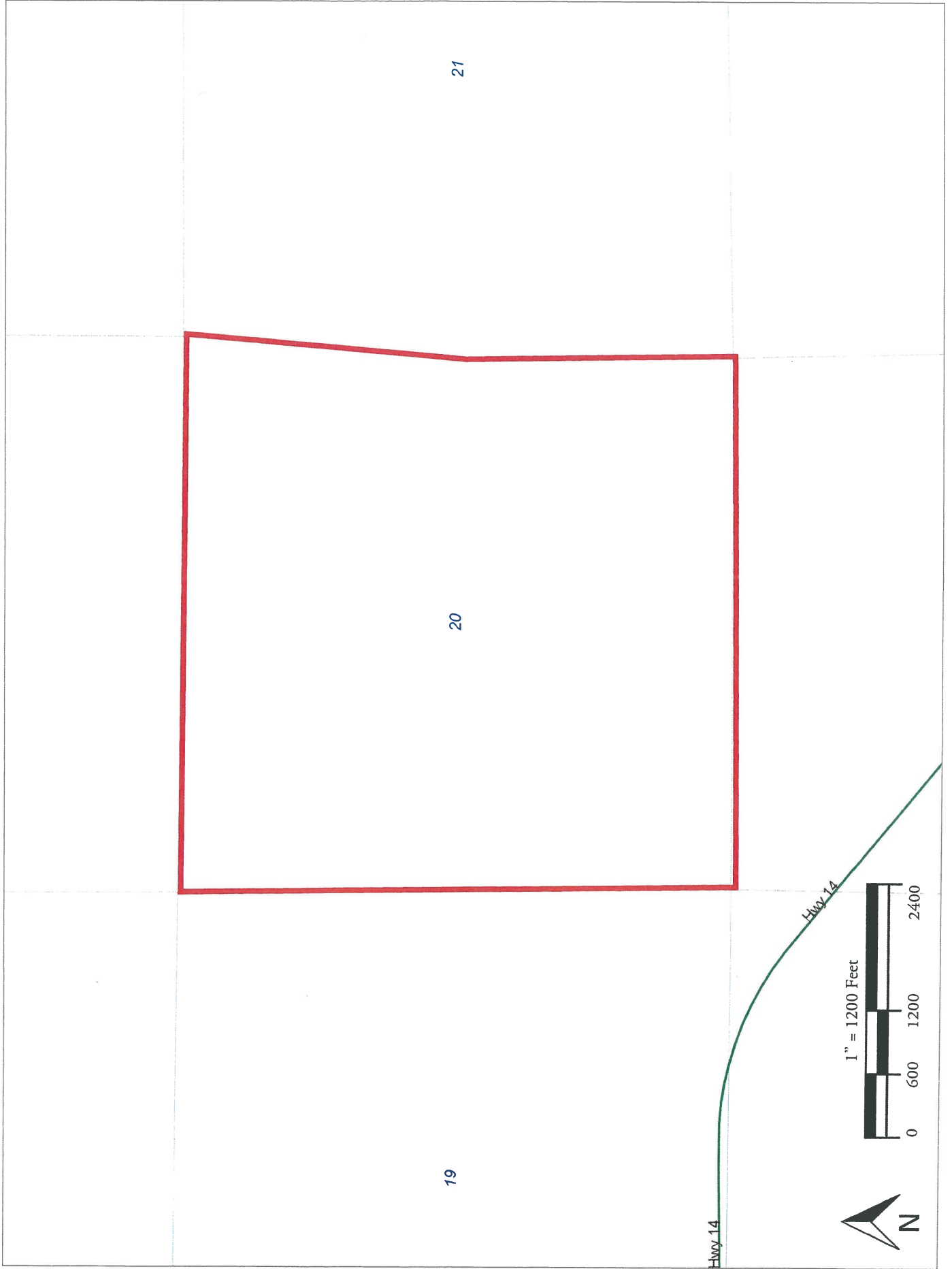
Colorado Division of Wildlife
Northeast Region Office
6060 Broadway
Denver, CO 80216

EXHIBIT A

INTERESTED PARTIES

Noble Energy WYCO, LLC
Land Energy, Inc.
Candace Deroo

Exhibit B - Application Lands



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| P.M., UNNAMED FIELD, WELD COUNTY, |) | |
| COLORADO. |) | |

AFFIDAVIT OF MAILING

STATE OF COLORADO §
 §
CITY AND COUNTY OF DENVER §

I, Geoffrey W. Storm, of lawful age, and being first duly sworn upon my oath, state and declare:

That I am the attorney for Bison Oil & Gas II, LLC and that on or before December 7, 2017, I caused a copy of the attached Application to be deposited in the United States mail, postage prepaid, addressed to the parties listed on Exhibit A to the Application.




Geoffrey W. Storm

Subscribed and sworn to before me December 7, 2017.

Witness my hand and official seal.

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|---|
| MELISSA A. MORMAN NOTARY PUBLIC STATE OF COLORADO NOTARY ID 19894012434 MY COMMISSION EXPIRES AUGUST 29, 2021 |
|---|



Notary Public
My commission expires: 7/29/2021