

**BEFORE THE OIL & GAS CONSERVATION COMMISSION
OF THE STATE OF COLORADO**

IN THE MATTER OF AN APPLICATION BY ENERPLUS RESOURCES (USA) CORPORATION FOR AN ORDER POOLING ALL INTERESTS IN AN APPROXIMATE 1,280-ACRE DRILLING AND SPACING UNIT ESTABLISHED FOR SECTIONS 23 AND 26, TOWNSHIP 8 NORTH, RANGE 67 WEST, 6TH P.M., FOR THE DEVELOPMENT/OPERATION OF THE FORT HAYES, CARLILE, CODELL AND NIOBRARA FORMATIONS, UNNAMED FIELD, WELD COUNTY, COLORADO	CAUSE NO. 535 DOCKET NO. TYPE: POOLING
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APPLICATION

Enerplus Resources (USA) Corporation, Operator No. 10177 (“Enerplus” or “Applicant”), by and through its attorneys, Beatty & Wozniak, P.C., respectfully submits this Application to the Oil and Gas Conservation Commission of the State of Colorado (the “Commission”) for an order pooling all interests in the approximate 1,280-acre drilling and spacing unit established for Sections 23 and 26, Township 8 North, Range 67 West, 6th P.M., for the development and operation of the Fort Hayes, Carlile, Codell and Niobrara Formations. In support of its Application, Applicant states and alleges as follows:

1. Applicant is a corporation duly authorized to conduct business in the State of Colorado, and has registered as an operator with the Commission.
2. Applicant owns substantial leasehold interests in the below-listed lands:

Township 8 North, Range 67 West, 6th P.M.
Section 23: All
Section 26: All

1,280 acres, more or less, Weld County, Colorado.

These lands are hereinafter referred to as the “Application Lands.” A map depicting the acreage comprising the Application Lands is attached hereto and marked as Exhibit A.

3. Rule 318.a. of the Commission Rules provides a well to be drilled 2,500 feet or greater 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 oil or gas well when drilling to the same common source of supply, unless authorized by the Commission upon hearing. The Application Lands are subject to this rule for the Fort Hayes, Carlile, Codell and Niobrara Formations.

4. On March 20, 2017, the Commission entered Order No. 535-774 which, among other things, established an approximate 1,280-acre drilling and spacing unit for the Application Lands, and approved eight horizontal wells within the unit, for the

production of oil, gas and associated hydrocarbons from the Fort Hayes, Carlile, Codell, and Niobrara Formations.

5. Pursuant to Order 535-774, Applicant plans to drill the below-described wells within the Application Lands, for the production of oil, gas and associated hydrocarbons from the Fort Hayes, Carlile, Niobrara and Codell Formations:

- a. Ballyshannon 8-67-26-23N (API No. 05-123-44923)
- b. Benroe 8-67-26-23N (API No. 05-123-44922)
- c. Carrick 8-67-26-23C (API No. 05-123-44925)
- d. Cloghfin 8-67-26-23C (API No. 05-123-44926)
- e. Donegal 8-67-26-23C (API No. 05-123-44919)
- f. Killybegs 8-67-26-23C (API No. 05-123-44928)
- g. Lough Erne 8-67-26-23C (API No. 05-123-44931)
- h. Sligo 8-67-26-23C (API No. 05-123-44921)

These wells are collectively referred to hereinafter as the "Subject Wells."

6. Acting pursuant to the relevant provisions of §34-60-116(6) & (7), C.R.S., and Rule 530., Applicant seeks an order pooling all interests in the Application Lands, for the development and operation of the Fort Hayes, Carlile, Niobrara and Codell Formations.

7. Applicant requests that the Commission's pooling order be made effective as of the earlier of the date of this Application, or the date that the costs specified in §34-60-116(7)(b), C.R.S. are first incurred for the drilling of any of the Subject Wells.

8. Further, Applicant requests that the interests of any owners with whom the Applicant has been unable to secure a lease or other agreement to participate in the drilling of the Subject Wells, are made subject to the cost recovery provisions of §34-60-116(7), C.R.S., effective as of the earlier of the date of the Application, or the date the costs specified in §34-60-116(7)(b), C.R.S. are first incurred for the drilling of any of the Subject Wells.

9. Applicant requests that relief granted under this Application should be effective on oral order by the Commission, and Applicant hereby agrees to be bound by said oral order.

10. The granting of this Application is in accord with the Oil and Gas Conservation Act, found at §34-60-101, *et seq.*, C.R.S., and the Commission rules.

11. The undersigned certifies that copies of this Application will be served on each interested party as required by Rule 507 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, that notice be given as required by law and that upon such hearing, this Commission enter its order:

A. Pooling all interests in the Application Lands, for the development and operation of the Fort Hayes, Carlile, Codell and Niobrara Formations, with the pooling order made effective as of the earlier of the date of this Application, or the date that the costs specified in §34-60-116(7)(b), C.R.S. are first incurred for the drilling any of the Subject Wells.

B. Providing that the interests of any owners with whom the Applicant has been unable to secure a lease or other agreement to participate in the drilling of the Subject Wells, are pooled by operation of statute, pursuant to §34-60-116(6) & (7), C.R.S., and made subject to the cost recovery provisions thereof, effective as of the earlier of the date of the Application, or the date the costs specified in §34-60-116(7)(b), C.R.S. are first incurred for the drilling of any of the Subject Wells.

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

DATED this 30 day of November, 2017.

Respectfully submitted,

ENERPLUS RESOURCES (USA) CORPORATION

By: Jobediah J. Rittenhouse
Jillian Fulcher
James P. Parrot
Jobediah J. Rittenhouse
Beatty & Wozniak, P.C.
Attorneys for Applicant
216 16th Street, Suite 1100
Denver, Colorado 80202
(303) 407-4499
jfulcher@bwenergylaw.com
jparrot@bwenergylaw.com
jrittenhouse@bwenergylaw.com

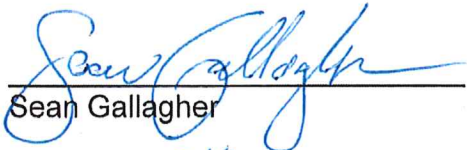
Address of Applicant
Enerplus Resources (USA) Corporation
Sean Gallagher, Senior Landman
950 17th Street, Suite 2200
Denver, Colorado 80202

VERIFICATION

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

Sean Gallagher, Senior Landman for Enerplus Resources (USA) Corporation, 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.

ENERPLUS RESOURCES (USA)
CORPORATION

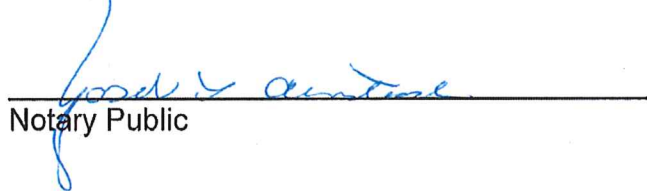


Sean Gallagher

Subscribed and sworn to before me this 29th day of November, 2017, by Sean Gallagher, Senior Landman for Enerplus Resources (USA) Corporation.

Witness my hand and official seal.

My commission expires: 5/10/2020



Notary Public

YASUKO S. ARMSTEAD
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20124022883
MY COMMISSION EXPIRES MAY 18, 2020

Exhibit A

Reference Map for Pooling Application

Township 8 North, Range 67 West, 6th P.M.

Section 23: All

Section 26: All

