

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

IN THE MATTER OF THE PROMULGATION AND)	CAUSE NO. 407
ESTABLISHMENT OF FIELD RULES TO GOVERN)	
OPERATIONS FOR THE CODELL AND NIOBRARA)	DOCKET NO. 180100067
FORMATIONS, WATTENBERG FIELD, ADAMS)	
COUNTY, COLORADO)	TYPE: SPACING

NOTICE OF CHANGE OF FIRM AFFILIATION

Effective May 15, 2018, the undersigned has resigned his affiliation with Fox Rothschild LLP. Accordingly, from and after May 16, 2018: (i) Fox Rothschild LLP withdraws from representation of PetroShare Corp. and (ii) PetroShare Corp. shall continue to be represented by the undersigned, whose affiliation from and after such date shall be with the following law firm:

Brent Chicken
Step toe & Johnson PLLC
600 17th St.
Ste. 2300
Denver, CO 80202
303.389.4300
Brent.Chicken@Step toe-Johnson.com

Please direct all future correspondence and inquiries concerning the above-captioned matter to the undersigned at the contact information set forth above.

DATED this 15th day of May, 2018.

FOX ROTHSCHILD LLP

By: 

BRENT D. CHICKEN (CO Bar No. 36217)
1225 17th Street, Suite 2200
Denver, CO 80202
303-292-1200
bchicken@foxrothschild.com
Attorneys for Applicant PetroShare Corp.

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

IN THE MATTER OF THE PROMULGATION AND)	CAUSE NO. 407
ESTABLISHMENT OF FIELD RULES TO GOVERN)	
OPERATIONS FOR THE CODELL AND NIOBRARA)	DOCKET NOS. 180100067
FORMATIONS, WATTENBERG FIELD, ADAMS)	
COUNTY, COLORADO)	TYPE: SPACING
)	

CERTIFICATE OF SERVICE

Brent Chicken, of lawful age and being first duly sworn upon his oath, states and declares that he is the attorney for PetroShare Corp. in the above-captioned matter(s), and that on May 15, 2018 he caused a true and complete copy of the foregoing Notice of Change of Firm Association to be sent electronically to the following parties:

Jill Fulcher Jobediah Rittenhouse Attorneys for Extraction Oil & Gas, Inc. jfulcher@bwenerylaw.com jrittenhouse@bwenerylaw.com	
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Brent Chicken

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

IN THE MATTER OF AN APPLICATION BY)
PETROSHARE CORP. FOR AN ORDER TO, AMONG) CAUSE NO. 407
OTHER THINGS, ESTABLISH AN APPROXIMATE)
1,256.30 ~~1,576.30~~-ACRE DRILLING AND SPACING UNIT) DOCKET NO. 180100067
COMPRISED OF THE S/2 OF SECTION 35, TOWNSHIP)
1 NORTH, RANGE 65 WEST, 6TH P.M., FOR THE) TYPE: SPACING
CODELL-NIOBRARA FORMATIONS, WATTENBERG)
FIELD, WELD COUNTY, COLORADO, ALL OF SECTION)
2, TOWNSHIP 1 SOUTH, RANGE 65 WEST, 6TH P.M.,)
AND ALL ~~THE~~ **N/2** OF SECTION 11, TOWNSHIP 1)
SOUTH, RANGE 65 WEST, 6TH P.M., FOR THE)
CODELL-NIOBRARA FORMATIONS, WATTENBERG)
FIELD, ADAMS COUNTY, COLORADO)

AMENDED APPLICATION

PetroShare Corp. ("Applicant"), by and through its attorneys, Fox Rothschild LLP, respectfully submits this **AMENDED** Application ("Application") to the Oil and Gas Conservation Commission of the State of Colorado ("Commission") for an order establishing an approximate **1,256.30** ~~1,576.30~~-acre drilling and spacing unit comprised of the S/2 of Section 35, Township 1 South, Range 65 West, 6th P.M., Wattenberg Field, Weld County, Colorado, all of Section 2, Township 1 South, Range 65 West, 6th P.M., and all **THE N/2** of Section 11, Township 1 South, Range 65 West, 6th P.M. for horizontal well development of the Codell-Niobrara Formations ("Subject Formations"), Wattenberg Field, Adams County, Colorado.

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 is registered as Operator No. 10454 with the Commission.
2. Applicant owns leasehold interests in the below-listed lands ("Application Lands"):

Township 1 North, Range 65 West, 6th P.M.
Section 35: S/2

Township 1 South, Range 65 West, 6th P.M.
Section 2: All
Section 11: All **N/2**

Containing **1,256.30** ~~1,576.30~~ acres, more or less
3. A map depicting the acreage comprising the Application Lands, which lie within the Greater Wattenberg Area ("GWA") as defined by Commission Rule 318A, is attached hereto and incorporated herein as **Exhibit A**.
4. On April 27, 1998, the Commission adopted Commission Rule 318A, which among other things, allowed certain drilling locations to be utilized to drill or twin a well, deepen a well or recomplete a well and to commingle any or all Cretaceous Age Formations from the base of the

Dakota Formation to the surface. Commission Rule 318A supersedes all prior Commission drilling and spacing orders affecting well location and density requirements of GWA wells. On December 5, 2005, Commission Rule 318A was amended to, among other things, allow interior infill and boundary wells to be drilled and wellbore spacing units to be established. On August 8, 2011, Commission Rule 318A was again amended, among other things, to address drilling of horizontal wells. The Application Lands are subject to Commission Rule 318A for the Codell-Niobrara Formations.¹

5. The Commission has issued no other orders concerning the establishment of drilling and spacing units touching and concerning the Application Lands regarding the horizontal well development of the Codell-Niobrara Formations.

6. As of the date of the filing of this Application: (a) no horizontal wells have been drilled on the Application Lands in the Subject Formations; (b) there no vertical wells producing from the Subject Formations on the Application Lands; (c) with the exception of the foregoing, there are no other wells (vertical, directional or horizontal) located on the Application Lands producing from the Subject Formations; and (d) there are pending applications for permit to drill horizontal wells on the Application Lands to the Subject Formations.

7. Applicant requests the establishment of the Application Lands as an approximate **1,256.30** ~~1,576.30~~-acre drilling and spacing unit for the horizontal well production of Codell-Niobrara Formations oil, gas and associated hydrocarbons, pursuant to Commission Rule 503.b.(1) and C.R.S. § 34-60-116(2) ("Proposed DSU").

8. Applicant requests authorization to drill, complete and operate up to sixteen (16) horizontal wells in the Proposed DSU (collectively, "Wells"), for the production of Codell-Niobrara Formations oil, gas and associated hydrocarbons ("Well Density Request"), pursuant to Commission Rule 503.b.(1).

9. Applicant requests authorization that the productive interval for any of the Wells be located no closer than one hundred fifty feet (150') from the productive interval of any other wellbore located within the Proposed DSU, absent exception being granted by the Director or variance being granted by the Commission ("Interwell Setback Request"), pursuant to Commission Rule 503.b.(1).

10. Applicant requests authorization that the productive interval for any of the Wells be located no closer than four hundred sixty feet (460') from the boundary of the Proposed DSU, absent exception being granted by the Director or variance being granted by the Commission ("Boundary Line Setback Request"), pursuant to Commission Rule 503.b.(1).

11. Applicant states that the Proposed DSU is not smaller than the maximum area that can be economically and efficiently drained by the Wells.

12. Applicant states that its request for the creation of the Proposed DSU, the granting of the Well Density Request, the granting of the Interwell Setback Request, and the granting of the Boundary Line Setback Request, are each necessary and will promote full, economic and efficient resource recovery, minimize surface impacts, create of efficiencies for drilling and

¹ Commission Rule 318A supersedes Commission Order No. 407-87 dated February 19, 1992, as amended, with respect to the Application Lands. The Application Lands are also subject to Commission Rule 317A – DJ Basin Fox Hills Protection Area.

production, increase the ultimate recovery of the hydrocarbon reserves from the Application Lands, prevent waste, and protect correlative rights.

13. Applicant states that no interested party will be prejudiced by the granting of the relief sought herein.

14. Applicant states that any horizontal wells to be drilled under this Application will be drilled on the surface of the Proposed DSU, or on adjacent lands with consent of the surface landowner, from one multi-well pad, absent exception being granted by the Director or variance being granted by the Commission.

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

16. The names and addresses of the interested parties (Owners within the Application Lands) are attached hereto and incorporated herein as **Exhibit B**.

17. Applicant shall submit a certificate of service for this Application within seven (7) days pursuant to Commission Rules 503.e, 507.

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. Establishing the Application Lands as an approximate **1,256.30** ~~4,576.30~~-acre drilling and spacing unit for the horizontal well production of Codell-Niobrara Formations oil, gas and associated hydrocarbons;

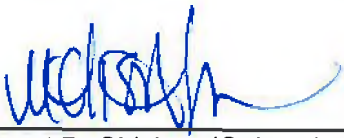
B. Authorizing the drilling, completion and operation of up to sixteen (16) horizontal wells in the drilling and spacing unit so established, for the production of Codell-Niobrara Formations oil, gas and associated hydrocarbons;

C. Authorizing that the productive interval for any of the horizontal wells in the drilling and spacing unit so established be located no closer than one hundred fifty feet (150') from the productive interval of any other wellbore located within the same, absent exception being granted by the Director or variance being granted by the Commission;

D. Authorizing that the productive interval for any of the horizontal wells in the drilling and spacing unit so established be located no closer than four hundred sixty feet (460') from the boundary of the same, absent exception being granted by the Director or variance being granted by the Commission; and

E. For such other findings and orders as the Commission may deem proper or advisable.

Respectfully dated and submitted this 19th day of December, 2017.

By: 
Brent D. Chicken (Colorado Bar No. 36217)
Melissa J. Lyon (Colorado Bar No. 45791)
Fox Rothschild LLP
Attorneys for Applicant
1225 17th Street, Suite 2200
Denver, CO 80202
303.446.3844

Applicant:
PetroShare Corp.
Attn: William R. Givan
9635 Maroon Circle, Suite 400
Englewood, CO 80112-5927
303.500.1168
bgivan@PetroSharecorp.com

Local Governmental Designee:
Christopher LaMere, Adams County LGD
4300 South Adams County Pkwy.
Brighton, CO 80601-8218
720.523.6891
Clamere@adcogov.org


Troy Swain, Weld County LGD
1555 North 17th Avenue
Greeley, CO 80631
970.400.3579
tswain@weldgov.com

VERIFICATION

STATE OF COLORADO)
) ss.
COUNTY OF DOUGLAS)


Brian H. Wert, Senior Landman, PetroShare Corp., 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.

PETROSHARE CORP.



Brian H. Wert
Senior Landman

Acknowledged, subscribed and sworn to before me this 15th day of December, 2017 by Brian H. Wert, Senior Landman of PetroShare Corp.



Print Name: Sami Alexander
Notary Public
State of Colorado
My commission expires: 9/12/18

SEAL

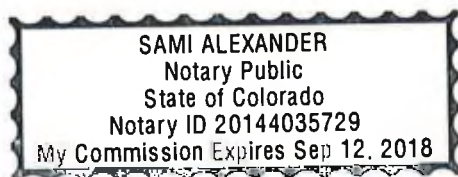


EXHIBIT A

PROPOSED DSU MAP

Township 1 North, Range 65 West, 6th P.M.
Section 35: S/2

Township 1 South, Range 65 West, 6th P.M.
Section 2: All
Section 11: All N/2

Containing ~~1,256.30~~ 1,576.30 acres, more or less

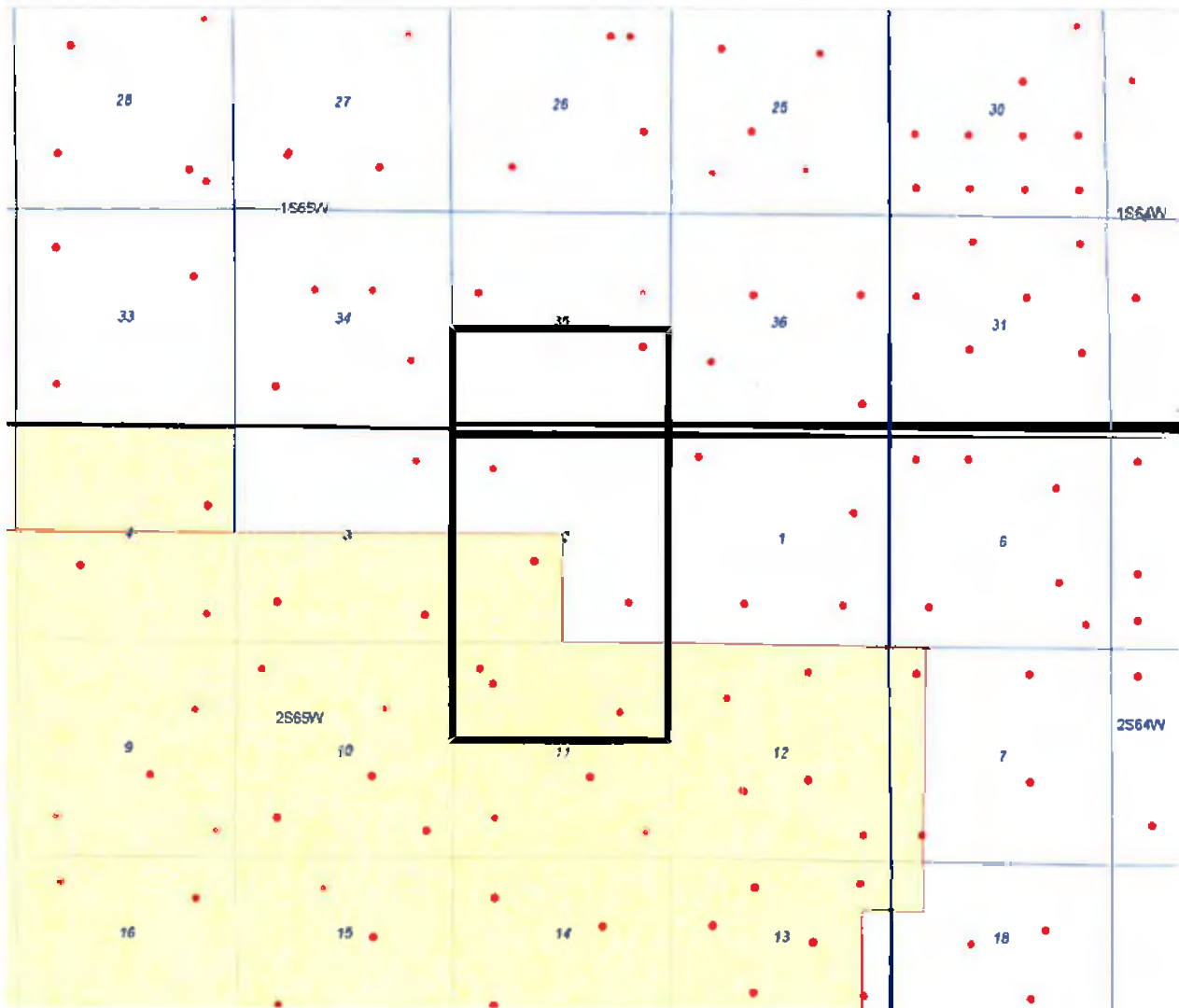


EXHIBIT B

INTERESTED PARTIES

The names and addresses of the interested parties (Owners within the S/2 of Section 35, Township 1 North, Range 65 West, 6th P.M., all of Section 2, Township 1 South, Range 65 West, 6th P.M., and all **THE N/2** of Section 11, Township 1 South, Range 65 West, 6th P.M.), according to the information and belief of the Applicant, are set forth in this **Exhibit B**.

Christopher LaMere 4300 South Adams County Pkwy. Brighton, CO 80601-8218	Troy Swain 1555 North 17 th Avenue Greeley, CO 80631
Noble Energy Production, Inc. 1625 Broadway, Suite 2200 Denver, CO 80202	Kerr-McGee Oil & Gas Onshore LP 1099 18th Street, Suite 1800 Denver, CO 80202
Anadarko Petroleum Corporation 1201 Lake Robbins Drive The Woodlands, TX 77380	Extraction Oil & Gas, LLC 370 17th Street, Suite 5300 Denver, CO 80202
Lincoln Energy, LLC 730 17th Street, Suite 610 Denver, CO 80202	West Hudson Estates LLC 2020 Arapahoe St., Suite LL100 Denver, CO 8020
Tuscany Properties LLC 25338 Foothills Drive North Golden, CO 80401	

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1 NORTH, RANGE 65 WEST, 6TH P.M., FOR THE) TYPE: SPACING
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FIELD, WELD COUNTY, COLORADO, ALL OF SECTION)
2, TOWNSHIP 1 SOUTH, RANGE 65 WEST, 6TH P.M.,)
AND ALL THE N/2 OF SECTION 11, TOWNSHIP 1)
SOUTH, RANGE 65 WEST, 6TH P.M., FOR THE)
CODELL-NIOBRARA FORMATIONS, WATTENBERG)
FIELD, ADAMS COUNTY, COLORADO)

CERTIFICATE OF SERVICE


Melissa J. Lyon, of lawful age, and being first duly sworn upon her oath, states and declares that she is the attorney for PetroShare Corp. in the above-captioned matter, and that on December 19, 2017, she caused a copy of the attached Application to be deposited in the United States Mail, postage prepaid, addressed to the parties listed on Exhibit B to the Application.



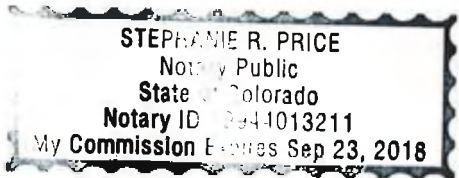
Melissa J. Lyon

Subscribed and sworn to before me on the 19th day of December, 2017.

Witness my hand and official seal.



Notary Public



BEFORE THE OIL AND GAS CONSERVATION COMMISSION
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IN THE MATTER OF THE PROMULGATION AND)
ESTABLISHMENT OF FIELD RULES TO GOVERN) CAUSE NO. 407
OPERATIONS FOR THE CODELL-NIOBRARA)
FORMATIONS, WATTENBERG FIELD, ADAMS AND) DOCKET NO. 180100067
WELD COUNTIES, COLORADO)
) TYPE: SPACING

SUPPLEMENTAL CERTIFICATE OF SERVICE

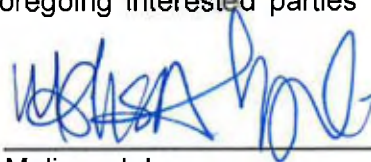
Melissa J. Lyon, of lawful age, and being first duly sworn upon her oath, states and declares that she is the attorney for Petroshare Corp. ("PetroShare") with respect to the above-captioned matter, and that on November 30, 2017, she filed a Certificate of Service with the Colorado Oil and Gas Conservation Commission ("Commission") indicating that a copy of PetroShare's Application in the above-captioned matter had been deposited in the United States Mail, postage prepaid, addressed to the parties identified in Exhibit "B" to such Application. In addition, she filed a Certificate of Service with the Commission indicating that the Amended Application in the above-captioned matter had been deposited in the United States Mail, postage prepaid, addressed to the parties identified in Exhibit "B" to such Amended Application.

Subsequent to the foregoing, the undersigned was then advised that Petroshare had located (or had been provided with) additional interested parties.

Accordingly, on December 21, 2017, the undersigned caused a true and complete copy of Petroshare's Amended Application and Notice of Hearing in the above-captioned matter to be sent to the foregoing parties at the following corrected addresses:

Lincoln Energy LLC
852 Broadway, Suite 300
Denver, CO 80203

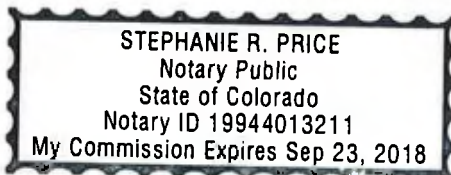
All further correspondence and notices concerning Petroshare's Amended Application in the above-captioned matter shall be sent to the foregoing interested parties at the foregoing addresses.



Melissa J. Lyon

Subscribed and sworn to before me on the 21st day of December, 2017.

Witness my hand and official seal.



Notary Public