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

IN THE MATTER	OF THE PRO	MULGATION	AND )	CAUSE NO. 535
<b>ESTABLISHMEN</b>	T OF FIEL	D RULES	TO )	
GOVERN OPERA	ATIONS FOR	THE NIOBR	ARA, )	DOCKET NO.
FORT HAYS,	CARLILE,	AND COI	DELL )	
FORMATIONS,	UNNAMED	FIELD, V	VELD )	TYPE: SPACING
COUNTY, COLOR	RADO		)	

### **APPLICATION**

Pursuant to C.R.S § 34-60-116, Mallard Exploration, LLC (Operator # 10670) ("Applicant"), respectfully submits this Application to the Oil and Gas Conservation Commission of the State of Colorado (the "Commission") for an order to establish one approximate 960-acre drilling and spacing unit for the following lands:

Township 9 North, Range 60 West, 6<sup>th</sup> P.M. Section 19: All Section 30: N½

Weld County, Colorado ("Application Lands"); and approve up to 16 horizontal wells within the unit for the production of oil, gas and associated hydrocarbons from the Niobrara and Codell Formations.<sup>1</sup>

In support of its Application, Applicant states and alleges as follows:

- 1. Applicant is a limited liability company duly authorized to conduct business in the State of Colorado and is an operator in good standing with the Commission.
- 2. Applicant owns leasehold interests in the Application Lands. A reference map of the Application Lands is attached as <a href="Exhibit A">Exhibit A</a>.
- 3. Rule 318.a. requires that wells drilled in excess of 2,500 feet in depth be located not less than 600 feet from any lease line, and 1,200 feet from any other producible or drilling oil or gas well that has the same common source of supply. The Application Lands are subject to this Rule for the Niobrara, Fort Hays, Carlile, and Codell Formations.
- 4. Pursuant to C.R.S. § 34-60-116, Applicant requests that the Commission establish one approximate 960-acre drilling and spacing unit underlying the Application Lands and approve up to 16 horizontal wells within the unit, with 12 horizontal wells to be drilled to the Niobrara Formation and four horizontal wells to be drilled to the Codell Formation. The productive interval of each such wellbore shall be located no closer than 600 feet from the unit boundaries, and no closer than 150 feet from the productive interval

<sup>&</sup>lt;sup>1</sup> The Fort Hayes and Carlile Formations are non-target formations and being included in the Application in the event the horizontal wellbore of the proposed wells deviate into these formations.

of any other wellbore located within the unit, without exception being granted by the Director.

- 5. Applicant requests that the Commission authorize two wellpads within the unit or upon adjacent lands.
- 6. Applicant asserts that establishing the proposed drilling and spacing unit will allow for the economic and efficient drainage of the Niobrara and Codell Formations, will prevent waste, will not adversely affect correlative rights, and will assure the greatest ultimate recovery of oil, gas and associated hydrocarbons from the Niobrara and Codell Formations. The drilling and spacing unit is not smaller than the maximum area that can be economically and efficiently drained by the proposed wells in these formations.
- 7. Pursuant to Rule 507.b.(1), the undersigned certifies that copies of this Application shall be served on each interested party 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 the Commission enter its order:

- A. Establishing one approximate 960-acre drilling and spacing unit comprised of the Application Lands for the development of and production from the Niobrara and Codell Formations, with the Fort Hays and Carlile Formations being non-target formations;
- B. Authorizing up to 16 horizontal wells within the unit, with 12 horizontal wells to be drilled to the Niobrara Formation and four horizontal wells to be drilled to the Codell Formation. The productive interval of each wellbore shall be located no closer than 600 feet from the unit boundaries, and no closer than 150 feet from the productive interval of any other wellbore located within the unit, without exception being granted by the Director;
  - C. Authorizing one wellpad within the unit or upon adjacent lands; and
- D. For such other findings and orders as the Commission may deem proper or advisable in the matter.

Dated: November 30, 2017.

Respectfully submitted:

MALLARD EXPLORATION, LLC

By:

Dave Neslin

Gregory Nibert, Jr.

Davis Graham & Stubbs LLP

1550 Seventeenth Street, Suite 500

Denver, Colorado 80202

(303) 892-9400

Applicant's Address:
Mallard Exploration, LLC
ATTN: Jordan Mattson
1821 Blake Street, Suite 2B
Denver, CO 80202

#### **VERIFICATION**

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

Jordan Mattson, of lawful age, being first duly sworn upon oath, deposes and says that he is a VP of Land for Mallard Exploration, LLC and that he has read the foregoing Application and that the matters therein contained are true to the best of his knowledge, information and belief.

Jordan Matteon, VP of Land Mallard Exploration, LLC

Subscribed and sworn to before me this 20th day of November, 2017.

Witness my hand and official seal.

MADISON MAMAGHANI
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20174036078
COMMISSION EXPIRES AUG. 29, 2021

Notary Public

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

N THE MATTER OF THE PROMULGATION		CAUSE NO. 535
AND ESTABLISHMENT OF FIELD RULES TO GOVERN OPERATIONS FOR THE CODELL,	.)	DOCKET NO. 180100077
FORT HAYS, AND CARLILE FORMATIONS, UNNAMED FIELD, WELD COUNTY,	) )	TYPE: SPACING
COLORADO		

## **CERTIFICATE OF SERVICE**

STATE OF COLORADO )	
<b>)</b>	SS.
CITY AND COUNTY OF DENVER	)

Greg Nibert Jr., of lawful age, and being first duly sworn upon his oath, states and declares:

That he is an attorney for Mallard Exploration, LLC and that on or before December 7, 2017, he caused a true and correct copy of the Application in the above referenced docket to be deposited in the United States Mail, postage prepaid, addressed to the following parties pursuant to Rule 503.e.

Greg Nibert,

Subscribed and sworn to before me December 7, 2017.

Witness my hand and official seal.

SUSANNE JOSLIN NOTARY PUBLIC STATE OF COLORADO NOTARY ID 20094002376 AX COMMISSION EXPIRES JANUARY 21, 2021

Notary Public

### Docket No. 180100077 Interested Parties

Troy Swain – LGD Weld County Department of Planning Services 1555 North 17th Avenue Greeley, CO 80631

Brandon Marette, Energy Liaison Colorado Parks and Wildlife Northeast Region Office 6060 Broadway Denver, CO 80216

Kent Kuster
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Bureau of Land Management 2850 Youngfield Street Lakewood CO 80215

BYA Energy, LLC 1776 S. Jackson, Suite 1000 Denver CO 80210 Carlson Oil and Gas, Inc. 941 School Street
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Lone Pine Livestock, Inc. 4568 County Road 74E Livermore CO 80536

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