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

IN THE MATTER OF THE APPLICATION OF)
WARD PETROLEUM CORPORATION FOR) CAUSE NO. 407
AN ORDER TO APPROVE FOUR ADDITIONAL)
WELLS FOR A TOTAL OF UP TO TWELVE)
HORIZONTAL WELLS TO THE CODELL AND) DOCKET NO. 180100108
NIOBRARA FORMATIONS IN THE N½ OF)
SECTION 34, TOWNSHIP 1 NORTH, RANGE)
66 WEST, WATTENBERG FIELD) TYPE: ADDITIONAL WELLS
WELD COUNTY, COLORADO)

VERIFIED APPLICATION

COMES NOW, Ward Petroleum Corporation ("Applicant"), by its attorneys, Lohf Shaiman Jacobs Hyman & Feiger PC, and submits it's Verified Application to the Oil and Gas Conservation Commission of the State of Colorado (the "Commission") for an order to approve an additional four horizontal wells for a total of up to twelve horizontal wells in a 320-acre drilling and spacing unit in the N½ of Section 34, Township 1 North, Range 66 West, 6th P.M, for horizontal wells to the Codell and/or Niobrara Formations, Wattenberg Field, Weld County, Colorado, and in support of its application states as follows:

- 1. Applicant is duly organized and authorized to conduct business in the State of Colorado, and is a duly registered operator in good standing with the Commission, Operator No. 10359.
- 2. Applicant owns leasehold interests in the following described lands in Weld County, Colorado, containing approximately 320-acres (hereinafter, the "Application Lands"):

Township 1 North, Range 66 West, 6th P.M. Section 34: N½

- 3. On February 19, 1992 (amended August 20, 1993), the Commission issued Order 407-87, which, among other things, established 80-acre drilling and spacing units for production of oil, gas and assorted hydrocarbons from the Codell and Niobrara Formations, with the permitted well locations to be in accordance with Order No 407-1. The Application Lands are subject to Order 407-87 for the Codell and Niobrara Formations.
- 4. On April 27, 1988, the Commission adopted Rule 318A, the Greater Wattenberg Special Well Location, Spacing and Unit Designation Rule ("GWA Rule"), 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. This Rule supersedes all prior Commission drilling and spacing orders affecting well

location and density requirements of Greater Wattenberg Area wells. On December 5, 2005, Rule 318A was amended, among other things, to allow interior infill and boundary wells to be drilled and wellbore spacing units to be established. On August 8, 2011, Rule 318A was again amended, among other things, to address the drilling of horizontal wells. The Application Lands are subject to Rule 318A for the Codell and Niobrara Formations.

- 5. On June 1, 2015, the Commission entered Order 407-1316 which established an approximate 320-acre drilling and spacing unit and authorized the drilling of up to eight horizontal wells for the production of oil, gas and associated hydrocarbons from the Codell or Niobrara Formations. The Application Lands are subject to Order 407-1316 for the Codell and Niobrara Formations.
- 6. The Applicant has drilled the horizontal Rael #34-4-2HC well (API #05-123-43337) to the Codell Formation in the Application Lands.
- 7. Applicant requests an order approving an additional four horizontal wells for a total of up to twelve horizontal wells in the approximate 320-acre drilling and spacing unit for the production of oil, gas and associated hydrocarbons from horizontal wells to the Codell and/or Niobrara Formations; with the treated interval of any such horizontal well to be no closer than 460-feet from the boundaries of the unit, and no closer than 150-feet from the treated interval of any well producing from the Codell and/or Niobrara Formations, without exception being granted by the Director of the Commission; and providing that the wells permitted under such order be located on no more than one well pad in the unit or lands adjacent to the unit, unless an exception is granted by the Director.
- 8. Applicant asserts that an order increasing the number of horizontal wells to twelve in the drilling and spacing unit consisting of the Application Lands is necessary for and will permit the economic and efficient drainage of the Codell and Niobrara Formations, will prevent waste, will protect correlative rights, and will help assure the greatest ultimate recovery of oil, gas and associated hydrocarbons from the Codell and Niobrara Formations in the Application Lands.
- 9. The proposed horizontal wells can be developed in a manner consistent with protection of the environment, public health, safety and welfare.
- 10. The names and addresses of the interested parties (owners within the Application Lands) according to the information and belief of the Applicant are set forth on **Exhibit A** attached hereto and made a part hereof.
- 11. A map depicting the acreage contained within the Application Lands is attached hereto as **Exhibit B** and incorporated herein by reference.
- 12. Applicant shall submit a certificate of service for this Application within seven (7) days, as required by Commission Rule 503.e.
- 13. WHEREFORE, the Applicant, Ward Petroleum Corporation, respectfully requests that this matter be set for hearing, that notice be given as required by law, and upon such hearing this

Commission enter its order (a) approving an additional four horizontal wells for a total of up to twelve horizontal wells within the approximate 320-acre drilling and spacing unit for the production of oil, gas and associated hydrocarbons from the Codell and/or Niobrara Formations; (b) with the treated interval of any such horizontal well being no closer than 460-feet from the boundaries of the unit, and no closer than 150-feet from the treated interval of any well producing from the Codell and/or Niobrara Formations, without exception being granted by the Director of the Commission, and (c) providing that the wells permitted under such order be located on no more than one well pad within the unit, unless an exception is granted by the Director of the Commission.

Respectfully submitted this 30th day of November 2017.

LOHF SHAIMAN JACOBS HYMAN & FEIGER PC

Bv:

J. Michael Morgan #7279

Øavid ⊭bner∕#7743

950 South Cherry Street, Suite 900

Denver, CO 80246

(303) 753-9000; (303) 753-9997 (fax)

mmorgan@lohfshaiman.com

Applicant's Address:

Ward Petroleum Corporation 215 West Oak Street, Suite 1000 Fort Collins, Colorado 80521 (970) 449-4632 kcraig@wardpetroleumfc.com

VERIFICATION

STATE OF COLORADO		
)	SS
COUNTY OF LARIMER)	

The undersigned, of lawful age, having been first sworn upon his oath, deposes and states that:

- 1. He is Landman Rockies for the Applicant, Ward Petroleum Corporation and maintains his office at 215 West Oak Street, Suite 1000, Fort Collins, Colorado 80521.
- 2. He has read the forgoing Verified Application, is familiar with the facts set forth therein, and states that said facts are true and correct to the best of his knowledge, information and belief.

Further Affiant sayeth not.

Kent Craig

Subscribed and swom to before me this 30 day of November, 2017.

Witness my hand and official seal.

My commission expires: 12/3/1/

LISA R LABRACKE
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20134080415
MY COMMISSION EXPIRES DEC. 31, 2021

Notary Flubin

EXHIBIT "A"

TO APPLICATION OF WARD PETROLEUM CORPORATION

Township 1 North, Range 66 West, 6th P.M., Section 34: N1/2

WEP Operating CO. LLC P.O. Box 1187 Enid, OK 73702

Ward Petroleum Corp. P. O. Box 1187 Enid, OK 73702

IOCL (USA) Inc. c/o Robert Dougherty III Thompson & Knight One Arts Plaza 1722 Routh Street, Suite 1500 Dallas, TX 75201

Kent Kuster, Oil & Gas Cons.Coor. Colorado Dept Health & Environment 4300 Cherry Creek Drive South Denver, CO 80246-1500

Tom Shreiner, Energy Liaison Colorado Div of Parks & Wildlife 6060 Broadway Denver, CO 80216

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

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

WARD PETROLEUM CORPORATION OF WARD PETROLEUM CORPORATION FOR AN ORDER TO APPROVE FOUR ADDITIONAL WELLS FOR A TOTAL OF UP TO TWELVE HORIZONTAL WELLS TO THE CODELL AND NIOBRARA FORMATIONS IN THE N½ OF SECTION 34, TOWNSHIP 1 NORTH, RANGE 66 WEST, WATTENBERG FIELD, WELD COUNTY, COLORADO)))) CAUSE NO. 407)) DOCKET NO. 180100108)) TYPE: ADDITIONAL WELLS)			
AFFIDAVIT OF MAILING				
STATE OF COLORADO)				
) ss. CITY & COUNTY OF DENVER)				
J. Michael Morgan, of lawful age and being fi declares:	rst duly sworn upon his oath, states and			
That he is the attorney for Ward Petroleum C December 1, 2017, he caused a copy of the attache United States Mail, postage prepaid, addressed to t Application.				
	MM M			
J. Michael Morgan				
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Subscribed and sworn to before me this 1 st day of December, 2017.				
Witness my hand and official seal.				
SHARON FOWLE NOTARY PUBLIC STATE OF COLORADO NOTARY ID 19954003253 MY COMMISSION EXPIRES MARCH 5, 2019	Sharan Towle Notary Public			