

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

IN THE MATTER OF AN APPLICATION BY  
EXTRACTION OIL & GAS, INC. FOR AN ORDER CAUSE NO. 407  
POOLING ALL INTERESTS IN AN APPROXIMATE DOCKET NO.  
878.42-ACRE DESIGNATED HORIZONTAL WELLBORE SPACING UNIT FOR CERTAIN  
PORTIONS OF SECTIONS 25, 26, 35, AND 36, TYPE: POOLING  
TOWNSHIP 5 NORTH, RANGE 68 WEST, 6TH P.M.  
AND CERTAIN PORTIONS OF SECTIONS 30 AND  
31, TOWNSHIP 5 NORTH, RANGE 67 WEST, 6TH  
P.M., FOR THE DEVELOPMENT/OPERATION OF  
THE NIOBRARA FORMATION, WATTENBERG  
FIELD, LARIMER AND WELD COUNTIES,  
COLORADO

**APPLICATION**

Extraction Oil & Gas, Inc., Operator No. 10459 ("Extraction" 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 ("Commission") for an order pooling all interests in an approximate 878.42-acre horizontal wellbore spacing unit established for certain portions of Sections 25, 26, 35, and 36, Township 5 North, Range 68 West, 6th P.M. and certain portions of Sections 30 and 31, Township 5 North, Range 67 West, 6th P.M., for the development and operation of the Niobrara Formation. 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 is an Owner in the below-listed lands:

Township 5 North, Range 68 West, 6th P.M.

Section 25: S $\frac{1}{2}$ S $\frac{1}{2}$

Section 26: S $\frac{1}{2}$ SE $\frac{1}{4}$ , SE $\frac{1}{4}$ SW $\frac{1}{4}$

Section 35: N $\frac{1}{2}$ NE $\frac{1}{4}$ , NE $\frac{1}{4}$ NW $\frac{1}{4}$

Section 36: N $\frac{1}{2}$ N $\frac{1}{2}$

Larimer County, Colorado

Township 5 North, Range 67 West, 6th P.M.

Section 30: S $\frac{1}{2}$ S $\frac{1}{2}$

Section 31: N $\frac{1}{2}$ N $\frac{1}{2}$

Weld County, Colorado, 878.42 acre, more or less  
***Wellbore Spacing Unit ("WSU") No. 1.***

These lands are hereinafter collectively referred to as the “Application Lands” and depicted in Exhibit A, attached hereto.<sup>1</sup>

3. On April 27, 1998, the Commission adopted 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 of the Cretaceous Age Formations from the base of the Dakota Formation to the surface. On December 5, 2005, Rule 318A. was amended 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 to, among other things, address drilling of horizontal wells. The Application Lands are subject to Rule 318A.

4. Upon information and belief, Applicant designated an approximate 878.42-acre horizontal wellbore spacing unit comprised of certain portions of the Application Lands, for the below-described well, for the production of oil, gas, and associated hydrocarbons from the Niobrara Formation. Applicant notified all owners in the proposed wellbore spacing unit pursuant to Rule 318A.e.(5). Applicant did not receive objections to the establishment of the proposed horizontal wellbore spacing unit within the 30-day response period:

- a. Johnsons Corner East 1N Well (API No. 05-069-06465) – Niobrara Formation – WSU #1.

This well is hereinafter referred to as the “Subject Well.”

5. 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, including, but not limited to, any nonconsenting interests, in WSU No. 1 established for the Application Lands, for the development and operation of the Niobrara Formation.

6. 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 the Subject Well within WSU No. 1.

7. 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 Well, 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 the Subject Well.

8. 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.

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<sup>1</sup> The Application Lands contain irregular lots. Accordingly, the acreage comprising the wellbore spacing units has been modified to reflect the presence of irregular quarter-quarter sections.

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 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, the Commission enter its order:

A. Pooling all interests in WSU No. 1 established for the Application Lands, for the development and operation of the Niobrara Formation, 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 the Subject Well within WSU No. 1.

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 Well, 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 the Subject Well.

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

DATED this 30<sup>th</sup> day of November, 2017.

Respectfully submitted,

EXTRACTION OIL & GAS, INC.

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

Applicant's Address:  
Extraction Oil & Gas, Inc.  
ATTN: Philip Zaranka  
370 17th Street, Suite 5300  
Denver, CO 80202

**VERIFICATION**

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

Philip Zaranka, Landman for Extraction Oil & Gas Inc., 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.

EXTRACTION OIL & GAS INC.



\_\_\_\_\_  
Philip Zaranka

Subscribed and sworn to before me this 30th day of November, 2017, by Philip Zaranka, Landman for Extraction Oil & Gas Inc.

Witness my hand and official seal.

My commission expires:



\_\_\_\_\_  
Notary Public

ANNE MICHELLE PIERINI  
Notary Public  
State of Colorado  
Notary ID # 20124036744  
My Commission Expires 01-04-2021

**EXHIBIT A**

Reference Map for Pooling Application

Township 5 North, Range 68 West, 6th P.M.

Section 25: S $\frac{1}{2}$ S $\frac{1}{2}$

Section 26: S $\frac{1}{2}$ SE $\frac{1}{4}$ , SE $\frac{1}{4}$ SW $\frac{1}{4}$

Section 35: N $\frac{1}{2}$ NE $\frac{1}{4}$ , NE $\frac{1}{4}$ NW $\frac{1}{4}$

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Larimer County, Colorado

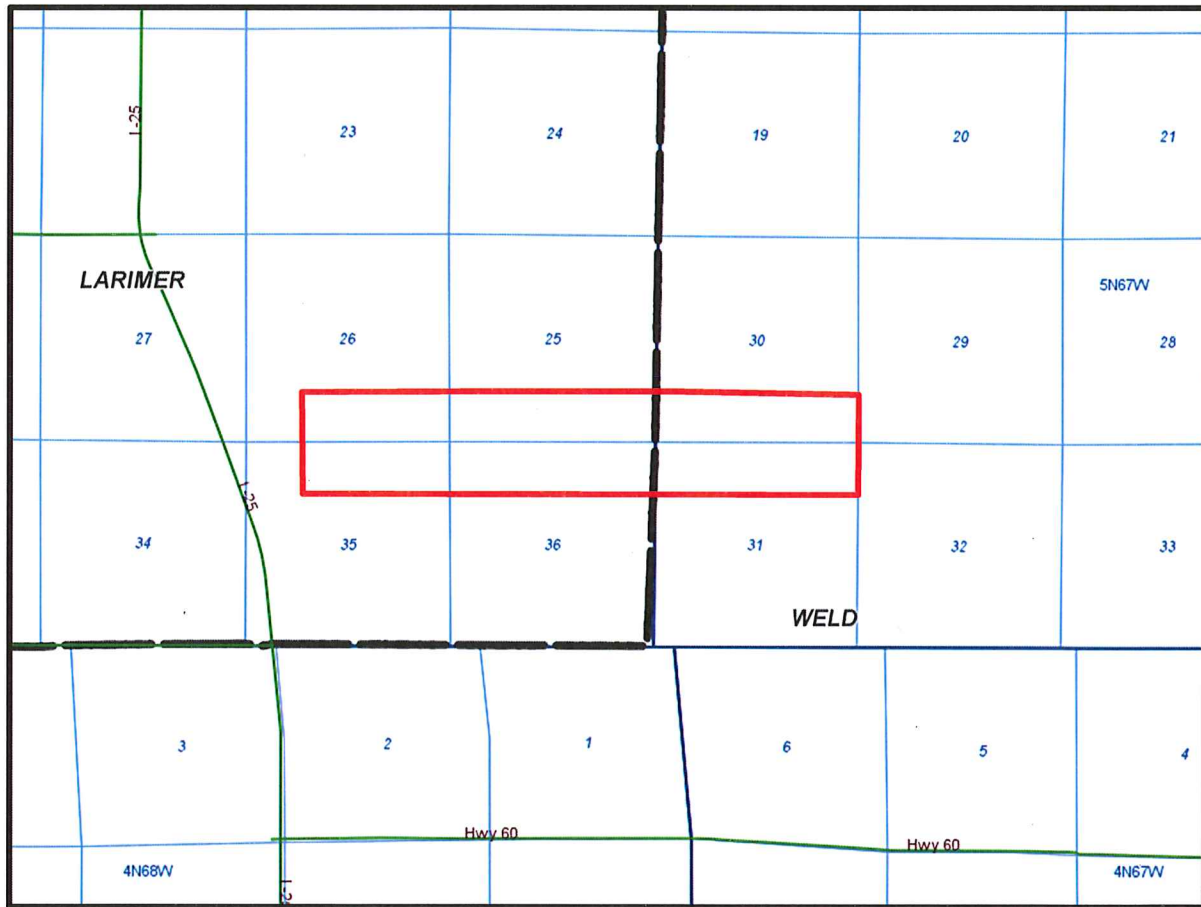
Township 5 North, Range 67 West, 6th P.M.

Section 30: S $\frac{1}{2}$ S $\frac{1}{2}$

Section 31: N $\frac{1}{2}$ N $\frac{1}{2}$

Weld County, Colorado, 878.42 acres, more or less

**Wellbore Spacing Unit ("WSU") No. 1.**



 = Application Lands



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COLORADO

CAUSE NO. 407

DOCKET NO. 180100114

TYPE: POOLING

UPDATED AFFIDAVIT OF MAILING

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

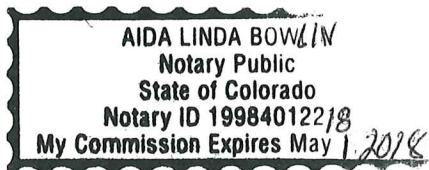
Grace Go-Hoveland, of lawful age, and being first duly sworn upon her oath, states and declares:

That she is a Legal Assistant at Beatty & Wozniak, P.C., attorneys for Extraction Oil & Gas, Inc., and on or before the 7<sup>th</sup> day of December, 2017, 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 attached hereto.

  
\_\_\_\_\_  
Grace Go-Hoveland

Subscribed and sworn to before me this 2ND day of January, 2018.

Witness my hand and official seal.



  
\_\_\_\_\_  
Notary Public

## EXHIBIT A

### INTERESTED PARTIES

The names and addresses of the interested parties (persons who own any interest in the mineral estate of the tracts to be pooled, except owners of overriding royalty interest) according to the information and belief of the Applicant are set forth in this Exhibit A.

Extraction Oil & Gas, Inc.  
370 17th Street, Suite 5300  
Denver, CO 80202

JGH Corporation  
3222 S. 27th St.  
Abilene, TX 79605

National Oil of Virginia, Inc.  
138 Pinyon Circle  
Rangely, CO 81648

Synergy Resources Corporation  
1675 Broadway, Suite 2600  
Denver, CO 80202

C. K. Adams, d/b/a Precision Hydrocarbons  
P.O Box 4450  
Casper, WY 82604

PDC Energy, Inc.  
1775 Sherman Street, Suite 3000  
Denver, CO 80203

Sierra Energy Associates 1981-2, c/o K.P.  
Kauffman Company, Inc.  
1675 Broadway, Suite 2800  
Denver, CO 80202

Elster Oil & Gas, LLC  
200 Plaza Drive, Suite 100  
Highlands Ranch, CO 80129

Rebecca Susan Hinaman  
138 Pinyon Circle  
Rangely, CO 81648

High Country Exploration Group  
138 Pinyon Circle  
Rangely, CO 81648

Kerr-McGee Oil & Gas Onshore LP  
1099 18th street  
Denver, CO 80202

Tri Petro, Inc.  
Attn: Accounting Department, 5066 Chalet  
Drive  
Oceanside, CA 92057

Gus Oil 1981 Limited Partnership, c/o K.P.  
Kauffman Company, Inc.  
1675 Broadway, 28th Floor  
Denver, CO 80202

Jim's Water Service of Colorado  
1675 Broadway, Suite 2800  
Denver, CO 80202

William M. Foster  
1600 Broadway, Suite 2000  
Denver, CO 0

Gordon L. Allott, Jr.  
2305 E. Arapahoe Road, Suite 230  
Littleton, CO 80122

Julio Calvillo  
6683 East County Road 16  
Loveland, CO 80537

Cruz Ana Calvillo  
6683 East County Road 16  
Loveland, CO 80537