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

IN THE MATTER OF THE APPLICATION OF FIFTH CREEK **ENERGY OPERATING** COMPANY, LLC FOR AN ORDER TO AMEND ORDER NO. 421-26 TO (1) VACATE A 640-ACRE DRILLING AND SPACING UNIT ESTABLISHED BY ORDER NO. 421-3, (2) TO INCLUDE THE CODELL, FORT HAYS AND CARLILE FORMATIONS, (3) TO AUTHORIZE UP TO SIX (6) NEW CODELL, FORT HAYS AND CARLILE HORIZONTAL WELLS, (4) TO AUTHORIZE AND ADDITIONAL FIVE (5) NEW NIOBRARA HORIZONTAL WELLS, AND (5) TO ALLOW FOR 300-FOOT SETBACKS FROM THE BOUNDARIES OF A 1,280-ACRE ESTABLISHED FOR 9 AND TOWNSHIP 11 NORTH, RANGE 62 WEST. 6TH P.M., FOR THE PRODUCTION OF THE CODELL. FORT HAYS. CARLILE AND FORMATIONS, NIOBRARA HEREFORD FIELD, WELD COUNTY, COLORADO.

CAUSE NO. 421

DOCKET NO. 180300

TYPE: SPACING

APPLICATION

COMES NOW Fifth Creek Energy Operating Company, LLC (Operator No. 10629) ("Applicant"), by and through its attorneys, Jost Energy Law, P.C., and respectfully submits this Application to the Oil and Gas Conservation Commission of the State of Colorado (the "Commission") for an order to amend Order No. 421-26 to (1) vacate the 640-acre drilling and spacing unit established by Order No. 421-3 for Section 9, Township 11 North, Range 62 West, 6th P.M. for the Niobrara Formation, (2) include the Codell, Fort Hays and Carlile Formations, (3) authorize up to six (6) new horizontal wells for the efficient and economic development of oil, gas and associated hydrocarbons from the Codell, Fort Hays and Carlile Formations, (4) authorize an additional five (5) horizontal wells, for a total of up to fifteen (15) new horizontal wells for the efficient and economic development of oil, gas and associated hydrocarbons from the Niobrara Formation, and (5) provide for 300-foot reduced setbacks as to the boundaries of the approximate 1,280-acre drilling and spacing unit, for the efficient and economic development of oil, gas and associated hydrocarbons from the Codell, Fort Hays, Carlile and Niobrara Formations underlying the below-described lands. 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 a registered operator in good standing with the Commission.

2. Applicant is an "Owner" as defined by the Oil and Gas Conservation Act and owns leasehold interests or holds the right to operate on the following lands (hereafter "Application Lands"):

Township 11 North, Range 62 West, 6th P.M.

Section 9: All Section 16: All

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

A reference map of the Application Lands is attached hereto.

- 3. On October 21, 2010, the Commission entered Order No. 421-3 which, among other things, established 83 approximate 640-acre drilling and spacing units for certain lands, including Sections 9 and 16, Township 11 North, Range 62 West, 6th P.M., for the production of oil and gas and associated hydrocarbons from the Niobrara Formation, with no more than one horizontal well to be drilled in each unit from a surface location anywhere in the unit with the horizontal leg and bottom-hole location to be not closer than 600 feet from the boundaries of each unit.
- 4. On January 7, 2013, the Commission entered Order No. 421-26 which, among other things, maintained two approximate 640-acre drilling and spacing units established by Order No. 421-3 for Sections 9 and 16, Township 11 North, Range 62 West, 6th P.M. for the Garden Creek #09-16H Well (API No. 05-123-31191), and established an approximate 1,280-acre stand-up exploratory drilling and spacing unit for Sections 9 and 16, Township 11 North, Range 62 West, 6th P.M., and approved up to ten wells within the unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.
- 5. The records of the Commission reflect that one well is currently producing in the Niobrara Formation on the Application Lands, the Garden Creek #09-16H Well (API No. 05-123-31191), operated by Applicant in Section 16, Township 11 North, Range 62 West, 6th P.M. Applicant respectfully requests that Order No. 421-3 continue to be maintained for Section 16, Township 11 North, Range 62 West, 6th P.M. for production of the Garden Creek #09-16H well only, and that the Garden Creek #09-16H continue to be excluded from the 1,280-acre unit for purposes of payment of proceeds.
- 6. In order to promote efficient drainage of the Codell, Fort Hays, Carlile and Niobrara Formations within the Application Lands, to protect correlative rights and to avoid waste, the Commission should amend Order No. 421-26 to (1) vacate the 640-acre drilling and spacing unit established by Order No. 421-3 for Section 9, Township 11 North, Range 62 West, 6th P.M. for the Niobrara Formation, (2) include the Codell, Fort Hays and Carlile Formations, (3) authorize up to six (6) new horizontal wells for the efficient and economic development of oil, gas and associated hydrocarbons from the Codell, Fort Hays and Carlile Formations, (4) authorize an additional five (5) horizontal wells, for a total of up to fifteen (15) new horizontal wells for the efficient and economic

development of oil, gas and associated hydrocarbons from the Niobrara Formation, and (5) provide for 300-foot reduced setbacks as to the boundaries of the approximate 1,280-acre drilling and spacing unit, for the efficient and economic development of oil, gas and associated hydrocarbons from the Codell, Fort Hays, Carlile and Niobrara Formations underlying the Application Lands.

- 7. Applicant maintains that there will be no more than a total of five (5) well pads in the proposed drilling and spacing unit to be located within such unit or adjacent thereto, unless an exception is granted by the Director, for the existing production from the Garden Creek #09-16H Well (API No. 05-123-31191) and for the twenty-one (21) proposed horizontal wells on the Application Lands.
- 8. The treated interval of each proposed horizontal well shall be no closer than 300 feet from the boundaries of the unit (regardless of the lease lines within the unit) and all horizontal wells shall be no closer than 150 feet from the treated interval of another well producing from the same source of supply within the unit, unless an exception is granted by the Director.
- 9. 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 on March 19, 2018, that notice be given as required by law, and that upon such hearing, the Commission enter its order:

- A. Amending Order No. 421-26 to vacate the 640-acre drilling and spacing unit established by Order No. 421-3 for Section 9, Township 11 North, Range 62 West, 6th P.M. for the Niobrara Formation.
- B. Amending Order No. 421-26 to include the Codell, Fort Hays and Carlile Formations.
- C. Amending Order No. 421-26 to authorize up to six (6) new horizontal wells for the efficient and economic development of oil, gas and associated hydrocarbons from the Codell, Fort Hays and Carlile Formations.
- D. Amending Order No. 421-26 to authorize an additional five (5) horizontal wells, for a total of up to fifteen (15) new horizontal wells for the efficient and economic development of oil, gas and associated hydrocarbons from the Niobrara Formation.
- E. Amending Order No. 421-26 to provide for 300-foot reduced setbacks as to the boundaries of the approximate 1,280-acre drilling and spacing unit, for the efficient and economic development of oil, gas and associated hydrocarbons from the Codell, Fort Hays, Carlile and Niobrara Formations underlying the Application Lands.

F. For such other findings and orders as the Commission may deem proper or advisable in this matter.

DATED January 17, 2018.

Respectfully submitted:

FIFTH CREEK ENERGY OPERATING COMPANY, LLC

By:

Jamie L. Jost

Kelsey H. Wasylenky Jost Energy Law, P.C. Attorneys for Applicant 1401 17th Street, Suite 370 Denver, Colorado 80202

(720) 446-5620

Applicant's Address:

Fifth Creek Energy Operating Company, LLC

Attn: Cody Truitt

5251 DTC Parkway, Suite 420 Greenwood Village, CO 80111

VERIFICATION

STATE OF COLORADO)
8r) ss.
CITY AND COUNTY OF Arapahoe)

Cody Truitt, of lawful age, being first duly sworn upon oath, deposes and says that he is the Vice President of Engineering for Fifth Creek Energy Operating Company, 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.

Cody Truitt

Vice President - Engineering

Fifth Creek Energy Operating Company, LLC

Subscribed and sworn to before me this _______day of January, 2018.

Witness my hand and official seal.

[SEAL]

STEPHANIE A GROFF NOTARY PUBLIC STATE OF COLORADO NOTARY ID # 20124040932 MY COMMISSION EXPIRES 06-25-2020

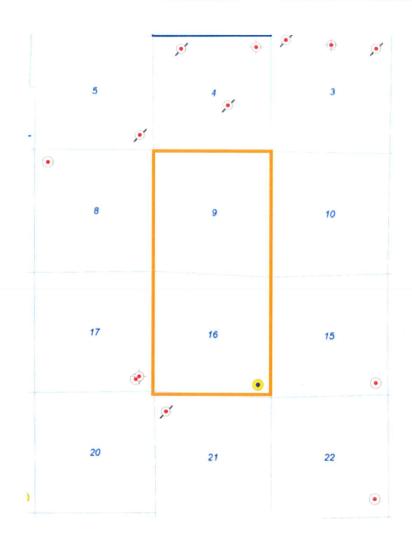
My commission expires:

e 25,2020

Notary Public

Reference Map Fifth Creek Energy, Inc.

Sections 9 and 16, Township 11 North, Range 62 West, 6th P.M.



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

IN THE MATTER OF THE APPLICATION OF FIFTH CREEK ENERGY **OPERATING** COMPANY, LLC FOR AN ORDER TO AMEND ORDER NO. 421-26 TO (1) VACATE A 640-ACRE DRILLING AND SPACING UNIT ESTABLISHED BY ORDER NO. 421-3, (2) TO INCLUDE THE CODELL, FORT HAYS AND CARLILE FORMATIONS, (3) TO AUTHORIZE UP TO SIX (6) NEW CODELL, FORT HAYS AND CARLILE HORIZONTAL WELLS, (4) TO AUTHORIZE AND ADDITIONAL FIVE (5) NEW NIOBRARA HORIZONTAL WELLS, AND (5) TO ALLOW FOR 300-FOOT SETBACKS FROM THE BOUNDARIES OF A 1,280-ACRE UNIT ESTABLISHED FOR 9 AND 16, TOWNSHIP 11 NORTH, RANGE 62 WEST, 6TH P.M., FOR THE PRODUCTION OF THE CODELL, FORT HAYS. CARLILE AND NIOBRARA FORMATIONS. HEREFORD FIELD, WELD COUNTY. COLORADO.

CAUSE NO. 421

DOCKET NO. 180300

TYPE: SPACING

AFFIDAVIT OF MAILING

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

> Jamie L. Jost Kelsey H. Wasylenky

Fasin L. Fost

Subscribed and sworn to before me this 1747 day of January, 2018.

Witness my hand and official seal.

Notary Public:

EXHIBIT ASP – T11N-R62W Sec 9 & 16

Fifth Creek Energy Operating Company, LLC 5251 DTC Parkway Suite 420 Greenwood Village, CO 80111

Canyon Oil & Gas LLC 6301 Aspen Ridge Court Fort Collins, CO 80524

Rimrock Royalties, LLC 3003 East Harmony Rd. Suite310 Fort Collins, CO 80528

William F. Langan and Kathryn A. Langan, HWJT 2016 Vineyard Drive Windsor, CO 80550

Barclay Royalty Fund, LLC P.O. Box 837 Windsor, CO 80550-0837

Clear Creek Fund I-A, LP 717 17th Street Suite1525 Denver, CO 802028

8 North, LLC 370 17th St. #5300 Denver, CO 80202

Hampton Royalties, LLC 1855 40th Ave. Greeley, CO 80634

Wade R. Hill and Barbara S. Hill, HWJT 8952 Gander Valley Lane Windsor, CO 80550 Walsh Production, Inc. PO Box 30 Sterling, Colorado 80751

Frank H. Walsh, LLC Successor in Interest to Frank H. Walsh PO Box 30 Sterling, Colorado 80751

Beach Comber Energy, LLC 323 S College Ave, #3 Fort Collins, CO 80524

Exterra Resources, LLC 475 17th St. Suite 2200 Denver, CO 80202-2805

Gene F. Lang & Co. 19751 E. Mainstreet Suite 334 Parker, CO 80138

Willow Street Partners, LP 510 Bering St., Suite 300 Houston, TX 77057

John C. Harms 5 Meadowbrook Rd. Littleton, CO 80120

Edward A. Hirs, III 6255 Burgoyne Rd. Houston, TX 77057

Diamond D Holdings, LLC-136 Thunder Road Kerrville, TX 78028 Harry Fendrich, The Fendrich Family Partnership, LP 28 Warren Street Charleston, SC 29403

Nancy W. Fendrich, The Fendrick Family Partnership, LP 28 Warren Street Charleston, SC 29403

Jill S. Glanville 421 Buckingham Dr. Houston, TX 77024-5802

Trustees of the James H. Glanville 2007 Irrevocable Trust 421 Buckingham Dr. Houston, TX 77024-5802

Ben A. Reid 5071 Cedar Creek Dr. Houston, TX 77056

Mitch W. Hale 5472 Lynbrook Dr. Houston, TX 77056

William A. Kelly 2371 Lake Village Dr. Kingwood, TX 77339

Gary L. Price P. O. Box 5945 Kingwood, TX 77325

Randall B. Rice 249 Northridge New Braunfels, TX 78132

William R. Glazner 3704 Garrott St. Houston, TX 77006-4424

Mary E. (Lisa) Lehman 1827 Grant St., Suite 502 Denver, CO 80203 Ilene Governale 16714 Pine Castle Dr. Houston, TX 77095

Jack Rosenthal 877 S. Pearl St. Denver, CO 80209

Billy Shaw 2726 Bissonnett, Suite 240 PMB 63 Houston, TX 77005-1362

TB Dawson, LLC 20806 Tallow View Lane Cypress, TX 77433

The Fraser Ian Dawson Special Needs Trust 11518 Shadow Way Houston, TX 77024

Erin K. Goerges 4265 San Felipe, Suite 1100 Houston, TX 77027

Freddie L. Daume 2414 Watts Rd. Iowa Park TX 76367

Lamar C. McIntyre P. O. Box 440483 Houston, TX 77244

K. Denton Cranford 3707 Villa Pines Dr. Kingwood, TX 77339

Richard S. Bishop 13622 Kingsride Ln. Houston, TX 77079

Black Diamond Minerals, LLC 1600 Stout Street, Suite 1710 Denver, CO 80202 Bartels Minerals LLC 5801 West 11th Street, #201 Greeley, CO 80634

Charlotte M. Tegtman (appears deceased)
PO BOX 370
Greeley, CO 80634

Richard J. Bartels and Robbin L. Peppler as Trustees of the Grandchildren's Trust II 2131 62nd Ave Court Greeley, CO 8063

Kathryn B. Stahlman and Robbin L. Peppler as Trustees of the Grandchildren's Trust I 2131 62nd Ave Court Greeley, CO 80634

The Survivors Trust, under the Ralph and Adrienne Philp 2001 Trust 2584 South 10th Avenue Arcadia, CA 91006

MAP 2009 – OK An Oklahoma General Partnership c/o MAP Royalty, Inc. 101 North Robinson, Suite 1000 Oklahoma City, OK 73102-5514

Charles W. and Patty N. Brown LLC 507 W Choctaw Street PO Box 587 Marlow, OK 73055

Anadarko Land Corporation 1099 18th Street, Suite 1800 Denver, CO 80202

Kent Kuster Colorado Department of Public Health & Environment 4300 Cherry Creek Drive South Denver, CO 80246-1530
Brandon Marette - Energy Liaison
Colorado Parks and Wildlife
Northeast Regional Office
6060 Broadway
Denver, Co 80216

Troy Swain Weld County Department of Planning Services 1555 N. 17th Ave. Greeley, CO 80631