

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

IN THE MATTER OF THE PROMULGATION)	CAUSE NO. 510
AND ESTABLISHMENT OF FIELD RULES TO)	
GOVERN OPERATIONS IN THE GRAND)	DOCKET NO. _____
VALLEY FIELD, GARFIELD COUNTY,)	
COLORADO)	TYPE: SPACING

APPLICATION

Laramie Energy, LLC (Operator No. 10433) ("Laramie"), through its attorneys, Steptoe & Johnson PLLC, respectfully submits this Application to the Oil and Gas Conservation Commission of the State of Colorado (the "Commission") pursuant to C.R.S. § 34-60-116 for an order establishing an approximate 870.76-acre, more or less, drilling and spacing unit and field rules for the production of oil, gas and associated hydrocarbons from the Mesaverde Group, which includes the Williams Fork and Iles Formations, which includes, or whose members are, the Cameo, Rollins, Cozette and Corcoran (collectively the "Williams Fork and Iles Formations of the Mesaverde Group") for certain lands in the Grand Valley Field, Garfield County, Colorado. In support of its Application, Laramie states as follows:

1. Laramie is a Delaware limited liability company duly organized and authorized to conduct business in the State of Colorado. Laramie is an operator in good standing with the Commission.

2. Laramie has standing as an owner to pursue this Application. Laramie owns all of the oil and gas leasehold interests and unleased mineral interests in the following lands comprising approximately 870.76 acres, more or less in Garfield County, Colorado:

Township 6 South, Range 97 West, 6th P.M.
Section 3: All (Lots 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, S½)

(the "Application Lands"). A reference map of the Application Lands is attached as Exhibit A.

3. The Application Lands include oil, gas and other minerals owned and leased by the United States. Laramie owns the federal oil and gas leasehold interests subject to leases with the United States administered by the Bureau of Land Management, United States Department of the Interior, as lessor.

4. Laramie will comply with all state and federal statutes, rules, regulations and lease stipulations applicable to the Application Lands and minerals. Laramie also will confer and cooperate with the Bureau of Land Management concerning the proposed order and operations.

5. Exhibit B lists all known interested parties as defined in Commission Rules 503 and 507. Within seven days of the filing of this Application, all interested parties as defined in Commission Rules 503 and 507 shall be served with a copy of the Application. A certificate attesting to service of the Application together with a list of those persons and entities entitled to notice under Commission rules shall be filed with the Commission within seven days of the filing of this Application.

6. Three prior orders of the Commission have addressed the Application Lands.

7. Order No. 510-15 authorized the equivalent of 10-acre density for wells drilled to and producing from the Williams Fork Formation underlying the Application Lands and other nearby lands.

8. Order No. 510-48 authorized the equivalent of 10-acre density for wells drilled to and producing from the Iles Formation of the Mesaverde Group underlying the Application Lands and other nearby lands.

9. Order No. 510-69 established Lots 5 and 6 of the Application Lands as an approximate 115.37-acre drilling and spacing unit subject to the equivalent of 10-acre density for wells drilled to and producing from the Williams Fork and Iles Formations of the Mesaverde Group.

10. The intent of this Application is to ask the Commission to vacate Order No. 510-69, which established an approximate 115.37-acre drilling and spacing unit consisting of Lots 5 and 6 of the Application Lands, and, in its place, to order the establishment of a larger drilling and spacing unit consisting of the approximate 870.76 acres in all of Section 3.

11. Laramie presently intends to drill a number of new wells in different parts of the Application Lands. Two wells operated by Laramie, the Cascade Creek #697-3-51D and the Cascade Creek #697-3-67D, presently produce oil and gas from the Application Lands.

12. The new Section 3 drilling and spacing unit proposed in this Application should continue to be subject to the equivalent of 10-acre density for wells drilled to and producing from the Williams Fork and Iles Formations of the Mesaverde Group underlying the Application Lands as previously ordered and established in Order No. 510-15 and Order No. 510-48.

13. The Application Lands also abut other lands subject to the equivalent of one well per 10-acre density for wells drilled to and producing from the Williams Fork Formation. These lands are subject to Order No. 510-15, Order No. 510-18, Order No. 510-25 and Order No. 510-48, among other orders.

14. The new proposed drilling and spacing unit and continuation of the existing field rules will allow efficient drainage of the Williams Fork and Iles Formations

of the Mesaverde Group, prevent waste, not adversely affect correlative rights of any owner, and assure the greatest ultimate recovery of oil, gas and associated hydrocarbons.

15. Wells developed in accordance with the proposed order may be drilled and operated in a manner consistent with protection of the environment, wildlife, public health, safety and welfare.

16. A verification attesting to the Application is attached. A copy of a proposed Notice of Hearing is being submitted electronically to the Commission.

WHEREFORE, Laramie respectfully requests this matter be set for hearing, notice be given as required by law, and upon such hearing this Commission enter the following order:

a. The Commission should vacate Order No. 515-69 and order that the Application Lands be established as a single approximate 870.76-acre, more or less, drilling and spacing unit for the production of oil, gas and associated hydrocarbons from the Williams Fork and Iles Formations of the Mesaverde Group, and that, within this drilling and spacing unit, the equivalent of 10-acre density should continue to be ordered for all wells producing from the Williams Fork and Iles Formations of the Mesaverde Group, unless an exception is granted by the Director.

b. The Commission should order that all wells within the drilling and spacing unit be located no closer than 100 feet from the unit boundary line, or 200 feet from the unit boundary line if the well abuts or corners land not subject to 10-acre density, unless an exception is granted by the Director.

c. The Commission should order that wells producing from the Williams Fork and Iles Formations of the Mesaverde Group within the Application Lands should be drilled from lands outside the Application Lands or from no more than one well pad per quarter-quarter section within the Application Lands, unless an exception is granted by the Director.

d. The Commission should enter and issue such other findings and orders, consistent with the requests set forth above, which the Commission may determine to be just and proper.

Respectfully submitted this 18th day of January, 2018.

STEPTOE & JOHNSON PLLC

By: 

David R. Little, #13340

Casey C. Breese, #51448

600 17th Street, Suite 2300S

Denver, Colorado 80202

Phone Number: 303-389-4300

Fax Number: 303-389-4301

david.little@steptoe-johnson.com

casey.breese@steptoe-johnson.com

Address of Applicant:

Laramie Energy, LLC (Operator No. 10433)

1401 Seventeenth Street, Suite 1400

Denver, CO 80202

303-339-4400

bhinman@laramie-energy.com

VERIFICATION

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

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

1. I am a Senior Landman for Laramie Energy, LLC, 1401 Seventeenth Street, Suite 1400, Denver, CO 80202.

2. I have read the Application and I have personal knowledge of the facts set forth therein. The facts in the Application are true and correct to the best of my knowledge and belief.

Further Affiant sayeth not.




Barbara A. Hinman

Subscribed and sworn to before me this 18th day of January, 2018.

Witness my hand and official seal.

My commission expires: 3/10/2020





Notary Public

EXHIBIT B – INTERESTED PARTIES

Township 6 South, Range 97 West, 6th P.M.
Section 3: All (Lots 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, S½)
Garfield County, Colorado

Laramie Energy, LLC (Applicant)
1401 Seventeenth Street, Suite 1400
Denver, CO 80202

United States Department of the Interior
Bureau of Land Management
Colorado State Office
2850 Youngfield Street
Lakewood, CO 80215-7093

United States Department of the Interior
Bureau of Land Management
2815 H Road
Grand Junction, CO 81506
Attention: Bob Hartman

Michael Warren
Northwest Regional Office
Energy Liaison – Colorado Parks and Wildlife
711 Independent Avenue
Grand Junction, CO 81505

Kent Kuster
Oil and Gas Consultant Coordinator
CDPHE
4300 Cherry Creek Drive South
Denver, CO 80246-1500

Kirby H. Wynn
Local Government Designee
Garfield County
195 West 14th Street, Bld. D, Suite 306
Rifle, CO 81650

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

IN THE MATTER OF THE PROMULGATION) CAUSE NO. 510
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VALLEY FIELD, GARFIELD COUNTY,)
COLORADO) TYPE: SPACING

AFFIDAVIT AND CERTIFICATE OF SERVICE

David R. Little, of lawful age and being first duly sworn upon his oath, states and declares:

I am counsel of record in this matter. Upon behalf of the Applicant, I certify that on January 18, 2018, I caused a copy of the Application filed in this matter to be deposited in the United States Mail, first class postage prepaid, addressed to the interested parties listed in Exhibit B attached to the Application. Exhibit B lists all persons presently known to the Applicant who are entitled to notice pursuant to the rules of the Commission. This affidavit and certificate of service is made upon personal knowledge.

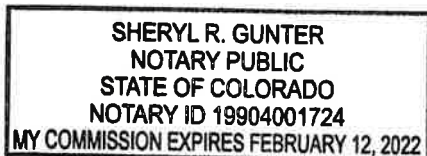


David R. Little

Subscribed and sworn to before me this 18th day of January, 2018.

Witness my hand and official seal.

My commission expires: February 12, 2022





Sheryl R. Gunter
Notary Public