

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

IN THE MATTER OF THE APPLICATION OF 8 NORTH, )  
LLC, FOR AN ORDER TO ESTABLISH AN ) CAUSE NO. 535  
APPROXIMATE 960-ACRE DRILLING AND SPACING )  
UNIT FOR SECTION 11 & N½ OF SECTION 14, ) DOCKET NO. **180300199**  
TOWNSHIP 9 NORTH, RANGE 60 WEST, 6<sup>TH</sup> P.M., AND )  
AUTHORIZING THE DRILLING OF TWELVE ) TYPE: Spacing  
HORIZONTAL WELLS WITHIN THE PROPOSED UNIT, )  
FOR PRODUCTION FROM THE **CODELL, FORT** )  
**HAYS, CARLILE, AND NIOBRARA FORMATIONS,** )  
UNNAMED FIELD, WELD COUNTY, COLORADO )

**AMENDED APPLICATION**

8 North, LLC (“8 North” or “Applicant”), Operator #10575, by and through its attorneys, The Shanor Group LLC, respectfully submits this Amended Application to the Oil and Gas Conservation Commission of the State of Colorado (“Commission” or “COGCC”) for an order: (1) vacating the approximate 640-acre drilling and spacing unit established by Order No. 535-58 for Section 11, Township 9 North, Range 60 West, 6<sup>th</sup> P.M., which authorized the drilling of two horizontal wells within the unit, for production of oil, gas and associated hydrocarbons from the Niobrara Formation, and the approximate 640-acre drilling and spacing unit established by Order No. 535-3, which authorized the drilling of one horizontal well within the unit, for Section 14, Township 9 North, Range 60 West, 6<sup>th</sup> P.M., for production of oil, gas and associated hydrocarbons from the Niobrara Formation, and (2) establishing an approximate 960-acre drilling and spacing unit for Section 11 and N½ of Section 14, Township 9 North, Range 60 West, 6<sup>th</sup> P.M., and authorizing the drilling of 12 horizontal wells within the proposed unit, for production of oil, gas and associated hydrocarbons from the **Codell, Fort Hays, Carlile, and Niobrara Formations**. In support of this Amended Application (“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 COGCC.

2. Applicant owns substantial leasehold interests in the below-listed lands (“Application Lands”):

Township 9 North, Range 60 West, 6<sup>th</sup> P.M.  
Section 11: All  
Section 14: N½

3. COGCC Rule 318.a. provides that for any oil or gas well drilled to a common source of supply and drilled to a producing depth at least 2,500 feet below ground surface shall be located not less than 600 feet from any lease line and not less than 1,200 feet from any other producing or drilling oil or gas well when drilling to the same source of supply, unless authorized by Commission order upon hearing. Sections 11 and 14, Township 9 North, Range 60 West, 6<sup>th</sup> P.M., are subject to this Rule for production of oil and gas from the **Codell, Fort Hays and Carlile Formations**.

4. On February 22, 2011, the Commission issued Order No. 535-3 which, among other things, established an approximate 640-acre drilling and spacing unit for Section 14, Township 9 North, Range 60 West, 6<sup>th</sup> P.M., and authorized the drilling of one horizontal well within said unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation, with the treated interval of any permitted well located no closer than 600 feet from the unit boundaries and an interwell setback of not less than 150 feet from the treated wellbore of any other wellbore producing or drilling from the Niobrara Formation.

5. On August 8, 2011, the Commission issued Order No. 535-58 which, among other things, established an approximate 640-acre drilling and spacing unit for Section 11, Township 9 North, Range 60 West, 6<sup>th</sup> P.M., and authorized the drilling of two horizontal wells within said unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation, with the treated interval of any permitted well located no closer than 600 feet from the unit boundaries.

6. On August 8, 2011, the Commission issued Order No. 535-64 which, among other things, pooled all interests in the approximate 640-acre drilling and spacing unit established for Section 11, Township 9 North, Range 60 West, 6<sup>th</sup> P.M., for the development and operation of the Niobrara Formation.

*Vacating the approximate 640-acre drilling and spacing units established for Sections 11 and 14, Township 9 North, Range 60 West, 6<sup>th</sup> P.M., for production from the Niobrara Formation*

7. Applicant herein requests the approximate 640-acre drilling and spacing unit established by Order No. 535-58 for Section 11, Township 9 North, Range 60 West, 6<sup>th</sup> P.M., which authorized the drilling of two horizontal wells within the unit, for production of oil, gas and associated hydrocarbons from the Niobrara Formation, and the approximate 640-acre drilling and spacing unit established by Order No. 535-3, which authorized the drilling of one horizontal well within the unit, for Section 14, Township 9 North, Range 60 West, 6<sup>th</sup> P.M., for production of oil, gas and associated hydrocarbons from the Niobrara Formation, be vacated. By vacating these units, Applicant will herein propose the establishment of an approximate 960-acre drilling and spacing unit for the Application Lands (which includes said Section 11 and N½ of Section 14), with authority to drill 12 horizontal wells within the proposed unit, for production of oil, gas and associated hydrocarbons from the **Codell, Fort Hays, Carlile, and Niobrara Formations**. This proposed development plan will allow the drilling of 12 one and one-half mile laterals running north-to-south or south-to-north within the proposed unit, thereby preventing waste while protecting correlative rights within the proposed unit area.

8. Further, should the underlying approximate 640-acre drilling and spacing established by Order No. 535-58 for Section 11, Township 9 North, Range 60 West, 6<sup>th</sup> P.M., be vacated, Applicant requests Order No. 535-64 which, among other things, pooled all interests in the approximate 640-acre drilling and spacing unit established for Section 11, Township 9 North, Range 60 West, 6<sup>th</sup> P.M., for the development and operation of the Niobrara Formation, be vacated by virtue of the order vacating the necessary unit area.

9. An Application for Permit-to-Drill (“APD”), Form 2, has been issued to Carrizo Niobrara LLC to drill the Dietzler 1-11-9-60 well (“Well”), API #05-123-33751, a planned Niobrara Formation

horizontal well permitted under Order No. 535-58 and set to expire on May 4, 2019. Applicant requests herein that should the underlying approximate 640-acre drilling and spacing established by Order No. 535-58 for Section 11, Township 9 North, Range 60 West, 6<sup>th</sup> P.M., be vacated, the APD for the Well should expire by operation of law.

*Establishment of an approximate 960-acre drilling and spacing unit for the Application Lands, for production from the Codell, Fort Hays, Carlile, and Niobrara Formations*

10. Applicant herein seeks the establishment of an approximate 960-acre drilling and spacing unit for the Application Lands, and the authority to drill 12 horizontal wells within the proposed unit, for production of oil, gas and associated hydrocarbons from the **Codell, Fort Hays, Carlile, and Niobrara Formations**. Further, the establishment of the drilling and spacing unit is not smaller than the area which can be efficiently and economically drained by the drilling of the requested horizontal wells to be drilled within said unit. The S½ of Section 14, Township 9 North, Range 60 West, 6<sup>th</sup> P.M., should revert to Rule 318.a. which provides that for any oil or gas well drilled to a common source of supply and drilled to a producing depth at least 2,500 feet below ground surface shall be located not less than 600 feet from any lease line and not less than 1,200 feet from any other producing or drilling oil or gas well when drilling to the same source of supply, unless authorized by Commission order upon hearing, for production of oil and gas from the Codell and Niobrara Formations.

11. Applicant herein requests the treated intervals of any horizontal well permitted under this Application should be located not less than 300 feet from proposed unit boundaries and not less than 150 feet from the treated interval of any other well producing or drilling from the **Codell, Fort Hays, Carlile, and/or Niobrara Formations**, without exception being granted by the Director.

12. Further, Applicant herein requests any permitted wells drilled under this Application should be located on no more than four multi-well pads within the drilling and spacing unit, or on adjacent lands with surface owner consent, without exception being granted by the Director.

13. 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 COGCC rules.

14. Applicant requests that relief granted as result of this Application should be effective on oral order by the Commission, and Applicant hereby agrees to be bound by the oral order of the Commission.

15. That the names and addresses of interested parties (owners within the Sections 11 and 14, Township 9 North, Range 60 West, 6<sup>th</sup> P.M., and those owners of lands cornering or adjacent to the Application Lands) according to the information and belief of the Applicant are set forth in Exhibit B. The Applicant shall submit a certificate of service for the Application within seven days as required by Rule 503.e.

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

A. Vacating the approximate 640-acre drilling and spacing unit established by Order No. 535-58 for Section 11, Township 9 North, Range 60 West, 6<sup>th</sup> P.M., which authorized the drilling of 13 horizontal wells within the unit, for production of oil, gas and associated hydrocarbons from the Niobrara Formation, and the approximate 640-acre drilling and spacing unit established by Order No. 535-3, which authorized the drilling of one horizontal well within the unit, for Section 14, Township 9 North, Range 60 West, 6<sup>th</sup> P.M., for production of oil, gas and associated hydrocarbons from the Niobrara Formation.

B. Vacating Order No. 535-64 which, among other things, pooled all interests in the approximate 640-acre drilling and spacing unit established for Section 11, Township 9 North, Range 60 West, 6<sup>th</sup> P.M., for the development and operation of the Niobrara Formation.

C. Expiring the Application for Permit-to-Drill, Form 2, for the Dietzler 1-11-9-60 well, API #05-123-33751, a planned Niobrara Formation horizontal well permitted under Order No. 535-58 and set to expire on May 5, 2019.

D. Establishing an approximate 960-acre drilling and spacing unit for the Application Lands, and authorizing the drilling of 12 horizontal wells within the proposed unit, for the production of oil, gas and associated hydrocarbons from the **Codell, Fort Hays, Carlile, and Niobrara Formations**, with the treated interval of any horizontal well permitted under this Application located not less than 300 feet from unit boundaries and not less than 150 feet from any other well producing or drilling from the **Codell, Fort Hays, Carlile, and/or Niobrara Formations**, without exception being granted by the Director.

E. Limiting the drilling of any permitted wells under this Application to no more than four multi-well pads within the drilling and spacing unit, or on adjacent lands with surface owner consent, without exception being granted by the Director.

F. Wherein the S½ of Section 14, Township 9 North, Range 60 West, 6<sup>th</sup> P.M., reverts to Rule 318.a. which provides that for any oil or gas well drilled to a common source of supply and drilled to a producing depth at least 2,500 feet below ground surface shall be located not less than 600 feet from any lease line and not less than 1,200 feet from any other producing or drilling oil or gas well when drilling to the same source of supply, unless authorized by Commission order upon hearing, for production of oil and gas from the Niobrara Formation.

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

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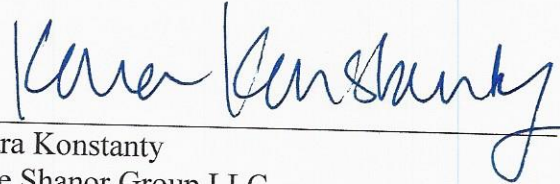
BEFORE THE OIL AND GAS CONSERVATION COMMISSION  
OF THE STATE OF COLORADO

IN THE MATTER OF THE PROMULGATION ) CAUSE NO. 535  
AND ESTABLISHMENT OF FIELD RULES TO )  
GOVERN OPERATIONS FOR THE CODELL, ) DOCKET NO. 180300199  
FORT HAYS, CARLILE, AND NIOBRARA )  
FORMATIONS, UNNAMED FIELD, WELD ) TYPE: SPACING  
COUNTY, COLORADO )

**CERTIFICATE OF MAILING OF AMENDED APPLICATION AND NOTICE OF  
HEARING**

I, Kara Konstanty, hereby certify that a true and correct copy of the Amended Application and the Notice of Hearing in the above-referenced matter before the COGCC was deposited in the U.S. mail on February 12, 2018, postage pre-paid, addressed to the interested parties listed in the original Application submitted to the COGCC regarding the above referenced Docket Number.

DATED this 14th day of February, 2018.



Kara Konstanty  
The Shanor Group LLC  
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Denver, CO 80202