

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 1,280-ACRE DRILLING AND SPACING )  
UNIT FOR SECTIONS 9 & 16, TOWNSHIP 10 NORTH, ) DOCKET NO. **180300209**  
RANGE 60 WEST, 6<sup>TH</sup> P.M., AND AUTHORIZING THE )  
DRILLING OF TWELVE HORIZONTAL WELLS ) TYPE: Spacing  
WITHIN THE PROPOSED UNIT, FOR PRODUCTION )  
FROM THE **CODELL, FORT HAYS, CARLILE, AND** )  
**NIORARA 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 1,280-acre exploratory drilling unit established by Order No. 535-234, which authorized the drilling of ten horizontal wells within the unit, for Sections 16 and 21, Township 10 North, Range 60 West, 6<sup>th</sup> P.M., for production of oil, gas and associated hydrocarbons from the Niobrara Formation, and the approximate 1,280-acre drilling and spacing unit established by Order No. 535-747, which authorized the drilling of 32 horizontal wells within the unit, for Sections 8 and 9, Township 10 North, Range 60 West, 6<sup>th</sup> P.M., for production of oil, gas and associated hydrocarbons from the Codell and Niobrara Formations, and (2) establishing an approximate 1,280-acre drilling and spacing unit for Sections 9 and 16, Township 10 North, Range 60 West, 6<sup>th</sup> P.M., 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 10 North, Range 60 West, 6<sup>th</sup> P.M.  
Section 9: All  
Section 16: All

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. Section 16, Township 10 North, Range 60 West, 6<sup>th</sup> P.M., is subject to this Rule for production of oil and gas from the **Codell, Fort Hays and Carlile Formations**.

4. On June 27, 2011, the Commission issued Order No. 535-28 which, among other things, established an approximate 640-acre drilling and spacing unit for Section 9, Township 10 North, Range 60 West, 6<sup>th</sup> P.M., and authorized the drilling of one horizontal well within said unit, for 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.

5. On January 7, 2013, the Commission issued Order No. 535-229 which, among other things, vacated the approximate 640-acre drilling and spacing unit previously established for Section 9, Township 10 North, Range 60 West, 6<sup>th</sup> P.M., for production of oil, gas and associated hydrocarbons from the Niobrara Formation, and established an approximate 1,280-acre exploratory drilling unit for Sections 8 and 9, Township 10 North, Range 60 West, 6<sup>th</sup> P.M., and authorized the drilling of ten 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 and an interwell setback of not less than 460 feet from the treated intervals of any other well drilling or producing from the Niobrara Formation.

6. On January 7, 2013, the Commission issued Order No. 535-234 which, among other things, established an approximate 1,280-acre exploratory drilling unit for Sections 16 and 21, Township 10 North, Range 60 West, 6<sup>th</sup> P.M., and authorized the drilling of ten 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 and an interwell setback of not less than 460 feet from the treated intervals of any other well drilling or producing from the Niobrara Formation.

7. On October 24, 2016, the Commission issued Order No. 535-747 which, among other things, modified Order No. 535-229 to include the Codell Formation as a common source of supply for the approximate 1,280-acre exploratory drilling unit previously established for Sections 8 and 9, Township 10 North, Range 60 West, 6<sup>th</sup> P.M., and authorized the drilling of 32 horizontal wells within said unit, for the production of oil, gas and associated hydrocarbons from the Codell and Niobrara Formations, with the treated interval of any permitted well located no closer than 100 feet from the unit boundaries and an interwell setback of not less than 100 feet from the treated intervals of any other well drilling or producing from the Codell and/or Niobrara Formation, unless the Commission has not approved adjacent lands for Codell and/or Niobrara Formation wells for setbacks of not less than 100 feet from unit boundaries whereupon any permitted well under the approved Application are to be located no closer than 300 feet from unit boundaries.

8. On April 25, 2017, the Commission issued Whiting Oil & Gas Corp. an Application for Permit-to-Drill, Form 2, for construction of the Church 10E-0841 well, API #05-123-44623, under Order No. 535-747.

*Vacating the approximate 1,280-acre exploratory drilling unit established for Sections 16 and 21, Township 10 North, Range 60 West, 6<sup>th</sup> P.M., for production from the Niobrara Formation, and*

*the approximate 1,280-acre drilling and spacing unit established for Sections 8 and 9, Township 10 North, Range 60 West, 6<sup>th</sup> P.M., for production from the Codell and Niobrara Formations*

9. Applicant herein requests the approximate 1,280-acre exploratory drilling unit established by Order No. 535-234, which authorized the drilling of ten horizontal wells within the unit, for Sections 16 and 21, Township 10 North, Range 60 West, 6<sup>th</sup> P.M., for production of oil, gas and associated hydrocarbons from the Niobrara Formation, and the approximate 1,280-acre exploratory drilling unit established by Order No. 535-747 which authorized the drilling of 32 horizontal wells within said unit, for the production of oil, gas and associated hydrocarbons from the Codell and Niobrara Formations, be vacated. By vacating these units, Applicant will herein propose the establishment of an approximate 1,280-acre drilling and spacing unit for the Application Lands (which includes said Sections 9 and 16), 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 two-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.

*Establishment of an approximate 1,280-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 1,280-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.

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 Application Lands and Sections 8 and 21, Township 10 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 1,280-acre exploratory drilling unit established by Order No. 535-234, which authorized the drilling of ten horizontal wells within the unit, for Sections 16 and 21, Township 10 North, Range 60 West, 6<sup>th</sup> P.M., for production of oil, gas and associated hydrocarbons from the Niobrara Formation, and the approximate 1,280-acre drilling and spacing unit established by Order No. 535-747, which authorized the drilling of 32 horizontal wells within the unit, for Sections 8 and 9, Township 10 North, Range 60 West, 6<sup>th</sup> P.M., for production of oil, gas and associated hydrocarbons from the Codell and Niobrara Formations.

B. Expiring the Application for Permit-to-Drill, Form 2, for the Church 10E-0841 well, API #05-123-44623, a planned Niobrara Formation horizontal well permitted under Order No. 535-747 and set to expire on April 25, 2019.

C. Establishing an approximate 1,280-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.

D. 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.


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

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DATED this 7<sup>th</sup> day of February, 2018.

Respectfully submitted,

8 NORTH, LLC

By:   
Robert A. Willis (Colorado Bar #26308)  
The Shanor Group LLC  
600 Seventeenth Street, Suite 2800  
Denver, CO 80202  
(303) 995-5120

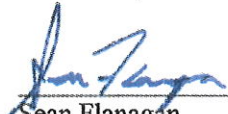
Applicant's Address:  
370 Seventeenth Street, Suite 5300  
Denver, CO 80202

VERIFICATION

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

Sean Flanagan, Landman for 8 North, LLC, upon oath deposes and says that she has read the foregoing Application and that the statements contained therein are true to the best of her knowledge, information and belief.

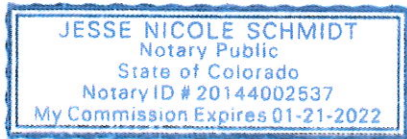
8 NORTH, LLC


  
Sean Flanagan

Subscribed and sworn to before me this 6<sup>th</sup> day of February, 2018, by Sean Flanagan, Landman for 8 North, LLC.

Witness my hand and official seal.

My commission expires: 1/21/2022



  
Notary Public

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

IN THE MATTER OF THE PROMULGATION AND ) CAUSE NO. 535  
ESTABLISHMENT OF FIELD RULES TO GOVERN )  
OPERATIONS FOR THE CODELL, FORT HAYS, ) DOCKET NO. 180300209  
CARLILE, AND NIOBRARA FORMATIONS, )  
UNNAMED FIELD, WELD COUNTY, COLORADO ) TYPE: SPACING

**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 13th day of February, 2018.



Kara Konstanty  
The Shanor Group LLC  
600 17<sup>th</sup> Street, Suite 2800  
Denver, CO 80202