

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 SECTION 34, TOWNSHIP 10	)	DOCKET NO. <i>To be determined</i>
NORTH, RANGE 60 WEST, 6 <sup>TH</sup> P.M., AND SECTION 3,	)	
TOWNSHIP 9 NORTH, RANGE 60 WEST, 6 <sup>TH</sup> P.M.,	)	TYPE: Spacing
AND AUTHORIZING THE DRILLING OF TWELVE	)	
HORIZONTAL WELLS WITHIN THE PROPOSED	)	
UNIT, FOR PRODUCTION FROM THE CODELL AND	)	
NIOBRARA FORMATIONS, UNNAMED FIELD,	)	
WELD COUNTY, COLORADO	)	

**APPLICATION**

8 North, LLC (“8 North” or “Applicant”), Operator #10575, by and through its attorneys, The Shanor Group LLC, respectfully submits this 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. 535-28, which authorized the drilling of one horizontal well within the unit, for Section 34, 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 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 3, 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 1,280-acre drilling and spacing unit for Section 34, Township 10 North, Range 60 West, 6<sup>th</sup> P.M., and Section 3, 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 and Niobrara Formations. In support of this 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 34: All

Township 9 North, Range 60 West, 6<sup>th</sup> P.M.  
Section 3: All

Exhibit A is attached hereto and depicts the Application Lands which consists of approximately 1,280 acres.

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 33, Township 10 North, Range 60 West, 6<sup>th</sup> P.M., and Section 4, 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 Formation.

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 3, 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 wellbore producing or drilling for the Niobrara Formation.

5. 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 34, Township 10 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.

*Vacating the approximate 640-acre drilling and spacing units established for Section 34, Township 10 North, Range 60 West, 6<sup>th</sup> P.M., and Section 3, Township 9 North, Range 60 West, 6<sup>th</sup> P.M., for production from the Niobrara Formation*

6. Applicant herein requests the approximate 640-acre drilling and spacing unit established by Order No. 535-28, which authorized the drilling of one horizontal well within the unit, for Section 34, 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 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 3, 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 1,280-acre drilling and spacing unit for the Application Lands (which includes said Sections 34 and 3), with authority to drill 12 horizontal wells within the proposed unit, for production of oil, gas and associated hydrocarbons from the Codell 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 and Niobrara Formations*

7. 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 and Niobrara Formations. The Codell and Niobrara Formations underlying the Application Lands are a common source of supply. 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.

8. 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 and/or Niobrara Formations, without exception being granted by the Director.

9. 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.

10. 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.

11. 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.

12. That the names and addresses of interested parties (owners within the Application Lands 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 attached hereto. 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. 535-28, which authorized the drilling of one horizontal well within the unit, for Section 34, 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 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 3, 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. 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 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 and/or Niobrara Formations, without exception being granted by the Director.

C. 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.

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

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DATED this 18<sup>th</sup> day of January, 2018.

Respectfully submitted,

8 NORTH, LLC

By: *Robert A. Willis*  
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            )

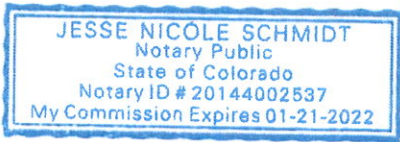
Sean Flanagan, Landman for 8 North, LLC, upon oath deposes and says that he has read the foregoing Application and that the statements contained therein are true to the best of his knowledge, information and belief.

8 NORTH, LLC  
*Sean Flanagan*  
Sean Flanagan

Subscribed and sworn to before me this 18<sup>th</sup> day of January, 2018, by Sean Flanagan, Landman for 8 North, LLC.

Witness my hand and official seal.

My commission expires: 1/21/22

*Jesse Schmidt*  
Notary Public  


 - Application Lands

 - Existing Units

Township 9 & 10 North, Range 60 West, 6<sup>th</sup> P.M.

Exhibit A  
Application Map

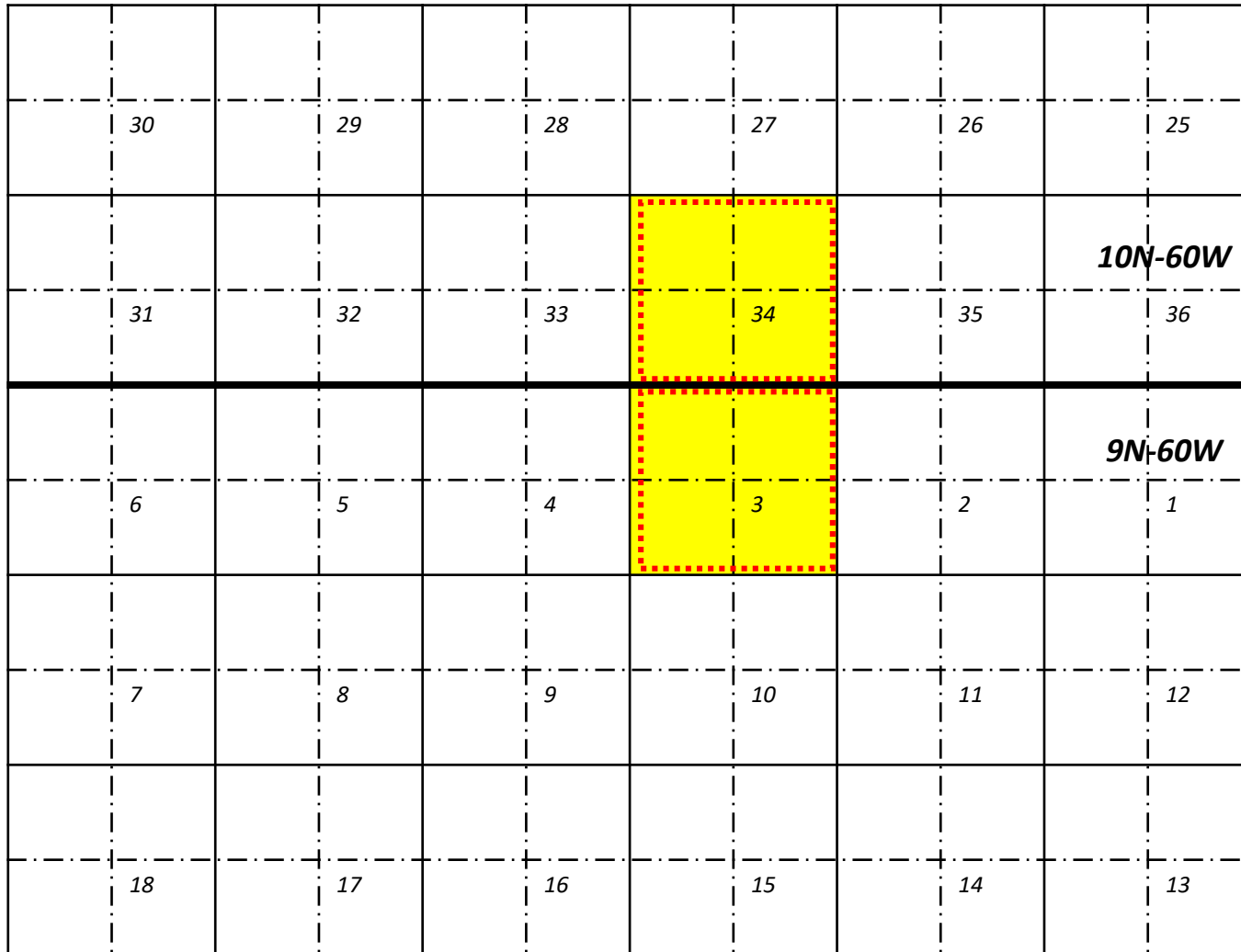


EXHIBIT B

INTERESTED PARTIES

8 North, LLC  
370 17th Street, Suite 5300  
Denver, CO 80202

The Morning Gun Exploration  
LLC  
1601 Arapahoe Street  
Denver, CO 80202

Border Resources, LLC  
5300 DTC Parkway, Suite 230  
Greenwood Village, CO 80111

John M. Bailey Family Trust  
1735 Dodge Road  
Cheyenne, WY 82009

Julie Ann and Gary Brown  
6127 Crystal View Drive  
Indianapolis, IN 46327

Hugh Bailey  
4971 Hessel Road  
Sebastopol, CA 95472

Laura Bailey  
352 Nature Trail  
Westerville, OH 43082

Richard Sinclair  
3617 County Road 82E  
3617 Livermore, CO 80536

William (Billy) Landis Sinclair  
469 W. River Road  
Worland, WY 82401

Burnell F. Clark and Diane R.  
Clark Family Trust dated March  
15, 1994  
17114 185th Avenue, NE  
Woodville, WA 98072

Lydetta Kay Jackson  
2139 Derby Hill Drive  
Loveland, CO 80537

Denise Y. and Jay D. Harris  
60700 252 Avenue  
Mantorville, MN 55955

Teresa Sgalio  
16813 Hamptons Landing Road  
Charlotte, NC 28277

Larkin Bailey  
821 Berkley Run  
Atlanta, GA 30342

Maria Bailey  
801 North 41st Avenue  
Omaha, NE 68131

Sean M. Bailey  
9205 Red Mountain Road  
Livermore, CO 80536-8946

Andrew R. Bailey and Lynne D.  
Fox Trust  
217 Rimrock Drive  
Seattle, WA 98177

Thomas (Tommy) L. and Sandra  
L. Bailey  
18355 Ridgefield Road NW  
Seattle, WA 98177

Douglas Vincent a/k/a Douglas  
Andrew and Rhonda Bailey  
2130 Elsie Avenue  
Heyburn, ID 83336

Rusty (Russell) Varineau  
2834 East Devon St.  
Tucson, AZ 85716

Mark P. Hollis  
49 Single Road  
Douglas, WY 82633

William (Billy) K. Fitzhugh  
Not able to find address

Matthew C. Bailey  
2751 Via Venado  
Santa Fe, NM 87505

Eugene R. and Helen J. Bailey  
Living Trust  
1713 Converse Avenue  
Cheyenne, WY 82001

Duane Clothier  
860 Tuscany Avenue #307  
Playa Del Rey, CA 90293

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Dan Clothier  
6714 Chelson Court  
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Gary Clothier  
212 Horsefield Drive  
Epworth, IA 52045

Stephanie Clothier Anderson  
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Grimes, IA 50111

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Silverdale, WA 98383

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Donna Beedle  
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Colorado Springs, CO 80915

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Torrance, CA 90504

Richard Schmoker  
2501 W. 67th Avenue  
Anchorage, AK 99502

Aurelia Schmoker  
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Jamestown, ND 58401

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370 17th Street, Suite 5300  
Denver, CO 80202

Colo. Parks & Wildlife  
Attn: Brandon Marette  
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Denver, CO 80216

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67  
Sunnyvale, CA 94086

Kathryn Sue Yrique  
5856 Ixias Lane  
San Jose, CA 95124

Kandi Clothier  
8251 Bryant Drive  
Huntington Beach, CA 92647

James Schmoker  
110 5th Street SE  
LaMoure, ND 58458

Dana Schmoker  
7716 Viking Drive  
Bismarck, ND 58501

Noel Schmoker  
6323 95thj Avenue SE  
Dickey, ND 58431

Don Schmoker  
1848 W. 257th Street  
Lomita, CA 90717

JoAnn Pozega  
1817 W. Park Avenue  
Anaconda, MT 59711

Troy Swain  
Weld County  
Dep't of Planning Services  
1555 North 17th Ave.  
Greeley, CO 80631

8 North, LLC  
370 17th Street, Suite 5300  
Denver, CO 80202

Bison Oil & Gas II, LLC  
518 17th Street, Suite 1800  
Denver, CO 80202



Verdad Resources LLC  
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200  
Dallas, TX 75235

JAL Interests, LLC  
3301 Cornell Ave.  
Dallas, TX 75205

Noble Energy, Inc.  
1625 E. Broadway, Suite 2200  
Denver, CO 80202

Okreek Oil and Gas, LLC  
475 17th Street, Suite 1350  
Denver, CO 80202

EOG Resources, Inc.  
600 17th Street, Suite 1000N  
Denver, CO 80202

Oil India (USA) Inc.  
333 Clay Street, Suite 3300  
Houston, TX 77002

Carrizo (Niobrara) LLC  
500 Dallas Street, Suite 2300  
Houston, TX 77002

Carrizo Oil & Gas, Inc.  
500 Dallas Street, Suite 2300  
Houston, TX 77002

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Terra Bella, CA 93270

IOCL (USA) Inc.  
333 Clay Street, Suite 3300  
Houston, TX 77002

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Houston, TX 77002