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

IN THE MATTER OF THE APPLICATION OF CCRP) OPERATING INC. FOR AN ORDER TO ESTABLISH AN) APPROXIMATE 1,280-ACRE DRILLING AND SPACING UNIT FOR SECTION 36, TOWNSHIP 12 NORTH, RANGE) 64 WEST, 6TH P.M., AND SECTION 1, TOWNSHIP 11) NORTH, RANGE 64 WEST, 6TH P.M., AND) AUTHORIZING THE DRILLING OF FOURTEEN) HORIZONTAL WELLS WITHIN THE PROPOSED UNIT,) FOR PRODUCTION FROM THE CODELL, FORT HAYS,) CARLILE, AND NIOBRARA FORMATIONS, HEREFORD) FIELD, WELD COUNTY, COLORADO)

CAUSE NO. 421 DOCKET NO. 180400302 **TYPE:** Spacing

AMENDED APPLICATION

CCRP Operating Inc. ("CCRP" or "Applicant"), Operator #10665, 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 drilling and spacing unit established by Order No. 421-38 for Sections 1 and 12, Township 11 North, Range 64 West, 6th P.M., which authorizes the drilling of ten horizontal wells within said unit, for production of oil, gas and associated hydrocarbons from the Niobrara Formation, and (2) amending Order 421-49 to establish an approximate 1,280-acre drilling and spacing unit for Section 36, Township 12 North, Range 64 West, 6th P.M., and Section 1, Township 11 North, Range 64 West, 6th P.M., and authorize the drilling of 14 horizontal wells within said 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 12 North, Range 64 West, 6th P.M. Section 36: All

> Township 11 North, Range 64 West, 6th P.M. Section 1: 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 leaseline 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 36, Township 12 North, Range 64 West, 6th P.M., and Section 1, Township 11 North, Range 64 West, 6th P.M., are subject to this Rule for production of oil and gas from the Fort Hays and Carlile Formations. Section 36, Township 12 North, Range 64 West, 6th P.M., is subject to this Rule for production of oil and gas from the Niobrara Formation.

4. On January 7, 2013, the Commission issued Order No. 421-38 which, among other things, established an approximate 1,280-acre drilling and spacing unit for Sections 1 and 12, Township 11 North, Range 64 West, 6th P.M., and authorized the drilling of ten horizontal wells within said unit, for production of oil, gas and associated hydrocarbons from the Niobrara Formation, with the bottomhole location of any permitted well located not less than 600 feet from the unit boundaries and an interwell setback of not less than 460 feet from the treated wellbore of any wellbore producing or drilling for the Niobrara Formation.

5. On December 15, 2014, the Commission issued Order No. 421-49 which, among other things, established an approximate 1,280-acre drilling and spacing unit for Section 36, Township 12 North, Range 64 West, 6th P.M., and Section 1, Township 11 North, Range 64 West, 6th P.M., and authorized the drilling of one horizontal well within said unit, for production of oil, gas and associated hydrocarbons from the Codell Formation, with the productive interval of any permitted well located not less 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 Codell Formation.

Vacating the approximate 1,280-acre drilling and spacing unit established for Sections 1 and 12, Township 11 North, Range 64 West, 6th P.M., for production from the Niobrara Formation

6. Applicant herein requests Order No. 421-38 which established an approximate 1,280-acre drilling and spacing unit for Sections 1 and 12, Township 11 North, Range 64 West, 6th P.M., and authorized the drilling of ten horizontal wells within said unit, for production of oil, gas and associated hydrocarbons from the Niobrara Formation, be vacated. By vacating this unit, Applicant will herein propose the establishment of an approximate 1,280-acre drilling and spacing unit for the Application Lands, and authority to drill 14 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 14 two-mile laterals running north-to-south or south-to-north within the proposed unit, thereby preventing waste while protecting correlative rights within, and adjacent to, the proposed unit area.

7. By vacating Order Nos. 421-38, Section 12, Township 11 North, Range 64 West, 6th P.M., will revert to Rule 318.a. for spacing purposes and setback rules, for production of oil and gas from the Niobrara Formation.

<u>Amending Order No. 421-49 to establish an approximate 1,280-acre drilling and spacing unit</u> for the Application Lands, and authorize the drilling 14 horizontal wells within said unit, for production from the Codell, Fort Hays, Carlile, and Niobrara Formations

8. Applicant herein seeks amending Order No. 421-49 to establish an approximate 1,280-acre drilling and spacing unit for the Application Lands, and the authority to drill 14 horizontal

wells within the proposed unit, for production of oil, gas and associated hydrocarbons from the Codell, Fort Hays, Carlile, and Niobrara Formations. 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.

9. 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.

10. 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.

11. 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.

12. 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.

13. 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 <u>Exhibit B</u>. 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 drilling and spacing unit established by Order No. 421-38 for Sections 1 and 12, Township 11 North, Range 64 West, 6th P.M., which authorizes the drilling of ten horizontal wells within said unit, for production of oil, gas and associated hydrocarbons from the Niobrara Formation.

B. Recognizing that by vacating Order Nos. 421-38, Section 12, Township 11 North, Range 64 West, 6th P.M., will revert to Rule 318.a. for spacing purposes and setback rules, for production of oil and gas from the Niobrara Formation.

C. Amending Order No. 421-49 to establish an approximate 1,280-acre drilling and spacing unit for the Application Lands, and authorize the drilling of 14 horizontal wells within the proposed unit, for 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 21st day of March, 2018.

Respectfully submitted,

CCRP OPERATING INC. 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: 717 Seventeenth Street, Suite 1525 Denver, CO 80202

VERIFICATION

) ss.

STATE OF COLORADO

CITY & COUNTY OF DENVER

Lawrence D. Lillo, Vice President-Land for CCRP Operating Inc., 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.

CCRP OPERATING INC.

Kaw and Lawrence D. Lillo

Subscribed and sworn to before me this $\partial^{(s)}$ day of March, 2018, by Lawrence D. Lillo, Vice President-Land for CCRP Operating Inc.

Witness my hand and official seal.

My commission expires: 10 0 20 2018

Notary Public

OY J HALL **NOTARY FUDLIC** STATE OF COLORADO NOTARY ID 20064041009 VY COMMISSION EXPIRES OCTOBER 06, 2018



Township 11 & 12 North, Range 64 West, 6th P.M.

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<u>EXHIBIT B</u>

INTERESTED PARTIES

717 Seventeenth St., Suite 1525

CCRP Operating Inc.

Anadarko Land Corp.

Denver, CO 80202

29.1991

1099 18th St., Suite 1800

Mark T. Cox, IV, Beverly Cox

Black, & William S. Cos, as

Successor Co-Trustees of the

Amended and Restated Trust

agreement of Elizabeth J. Cox under Agreement dated August

Denver, CO 80202

Robert Willis, Esq. The Shanor Group 600 17th Street, Suite 2800 Denver, CO 80202

Anadarko E&P Company, LP 1099 18th St., Suite 1800 Denver, CO 80202

Clear Creek Resources Partners Holdings LLC 717 17th St., Ste. 1525 Denver, CO 80202

Fifth Creek Energy Operating Company, LLC 5251 DTC Parkway, Suite 420 Greenwood Village, CO 80111 Glacier Land Services, LLC P.O. Box 3982 Centennial, CO 80161

9 East Glenbrooke Circle Henrico, VA 23229 8 North, LLC 370 17th St., Suite 1800 Denver, CO 80202

Anadarko Oil & Gas 1, LLC 1099 18th St., Suite 1800 Denver, CO 80202

Double Eagle Energy Rockies, LLC 1401 Ballinger Fort Worth, TX 76102

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

Kent KusterColCDPHEAttr4300 Cherry Creek Dr. South606Denver, CO 80246-1530Der

Colo. Parks & Wildlife Attn: Brandon Marette 6060 Broadway Denver, CO 80216

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

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IN THE MATTER OF THE PROMULGATION AND ESTABLISHMENT OF FIELD RULES TO GOVERN OPERATIONS FOR THE NIOBRARA, FORT HAYS, CODELL, AND CARLILE, FORMATION, HEREFORD FIELD, WELD COUNTY, COLORADO CAUSE NO. 421

DOCKET NO. 180400302

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 March 26, 2018, postage pre-paid, addressed to the interested parties listed in Exhibit B of the Amended Application, submitted to the COGCC regarding the above-referenced Docket Number.

DATED this 26th day of March, 2018.

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