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

IN THE OF THE PROMULGATION AND) CAUSE NO. ESTABLISHMENT OF FIELD RULES TO) GOVERN OPERATIONS FOR THE) DOCKET NO. NIOBRARA FORMATION, WATTENBERG) FIELD, WELD COUNTY, COLORADO) TYPE: POOLING

APPLICATION

PDC Energy, Inc. (Operator No. 69175) ("PDC"), by and through its attorneys, Burns, Figa, & Will, P.C., respectfully submits this Application to the Oil and Gas Conservation Commission of the State of Colorado (the "Commission") for an order pooling all interests within an approximate 800-acre Wellbore Spacing Unit, as further defined below, for the drilling of the Geib 26V-304 Well (API No. 05-123-44856) ("Well"), for the development of the Niobrara Formation on the following described lands:

Township 5 North, Range 65 West, 6th P.M. Section 25: W¹/₂NW¹/₄ Section 26: N¹/₂ Section 27: N¹/₂ Section 28: E¹/₂NE¹/₄

Weld County, Colorado, containing approximately 800.00 acres ("Application Lands")

In support of its Application, PDC states and alleges as follows:

1. PDC is a corporation duly authorized to do business in Colorado and is registered as an operator in good standing with the Commission.

2. PDC is an Owner with the right to drill into and produce from the Application Lands.

3. On October 20, 2017, the Commission approved a Form 4/Sundry Notice modifying the spacing unit listed in the approved Form 2/Application for Permit to Drill for the Geib 26V-304 Well to the spacing unit consisting of the Application Lands.

4. Rule 318A, as amended on August 8, 2011 addresses the drilling of horizontal wells under Rule 318A.a.(4)D. Rule 318A was originally established on April 27, 1998 to allow for certain drilling locations to drill or twin an existing well, deepen a well, or recomplete a well. Rule 318A also provided for the commingling of any or all of the Cretaceous Age Formations from the Dakota Formation to the surface. Rule 318A was first amended on December 5, 2005 to allow for interior infill and boundary wells and spacing units.

5. On February 19, 1992, the Commission entered Order No. 407-87 (amended August 20, 1993) which, among other things, established 80-acre drilling and spacing units for the production of oil, gas, and associated hydrocarbons from the Codell-Niobrara Formations, the Codell Formation, and the Niobrara Formation underlying certain lands, including the Application Lands, with the permitted well locations in accordance with the provisions of Order 407-1.

6. On May 18, 2010, the Commission entered Order No. 407-358, which, among other things, pooled all nonconsenting interests in an approximate 160-acre wellbore spacing unit for the S½SE¼ of Section 21 and the N½NE¼ of Section 28, Township 5 North, Range 65 West, 6th P.M., for the Magnuson F 28-27D Well (API No. 05-123-29895), from the Codell and Niobrara Formations. Order No. 407-358 is not affected by this Application, and proceeds from any shared lands will be accounted for in the production of the Well.

7. On June 30, 2011, the Commission entered Order Nos. 232-278 and 407-439, which, among other things, pooled all nonconsenting interests in an approximate 160-acre wellbore spacing unit for the W½NW¼ of Section 25 and the E½NE¼ of Section 26, Township 5 North, Range 65 West, 6th P.M., for the Geib 41-26 Well (API No. 05-123-32111), from the Codell, Niobrara, and J-Sand Formations. Order Nos. 232-278 and 407-439 are not affected by this Application, and proceeds from any shared lands will be accounted for in the production of the Well.

8. On August 12, 2011, the Commission entered Order No. 407-457, which, among other things, established an approximate 400-acre wellbore spacing unit for the N½S½, S½N½ of Section 28 and the NE¼SE¼, SE¼NE¼ of Section 29, Township 5 North, Range 65 West, for the Ikenouye F28-65HN Well (API No. 05-123-34241), from the Niobrara Formation. Order No. 407-457 is not affected by this Application, and proceeds from any shared lands will be accounted for in the production of the Well.

9. On July 11, 2012, the Commission entered Order No. 407-674, which, among other things, pooled all nonconsenting interests in an approximate 400-acre wellbore spacing unit for the N $_2$ S $_2$, S $_2$ N $_2$ of Section 28 and the NE $_4$ SE $_4$, SE $_4$ NE $_4$ of Section 29, Township 5 North, Range 65 West, for the Ikenouye F28-65HN Well (API No. 05-123-34241), from the Niobrara Formation. Order No. 407-674 is not affected by this Application, and proceeds from any shared lands will be accounted for in the production of the Well.

10. On April 11, 2014, the Commission entered Order No. 407-973, which, among other things, pooled all nonconsenting interests in an approximate 160-acre wellbore spacing unit for the NW¼ of Section 27, Township 5 North, Range 65 West, 6th P.M., for the Boulter 2-2-27 Well (API No. 05-123-33517), from the Codell-Niobrara Formation. Order No. 407-973 is not affected by this Application, and proceeds from any shared lands will be accounted for in the production of the Well.

11. Also on April 11, 2014, the Commission entered Order No. 407-985, which, among other things, pooled all nonconsenting interests in an approximate 400-acre

wellbore spacing unit for the SW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 19 and the NW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 30, Township 5 North, Range 64 West, 6th P.M., and the S $\frac{1}{2}$ S $\frac{1}{2}$ of Section 24 and the N $\frac{1}{2}$ N $\frac{1}{2}$ of Section 25, Township 5 North, Range 65 West, 6th P.M., for the LaSalle 25E-202 Well (API No. 05-123-37408), from the Niobrara Formation. Order No. 407-985 is not affected by this Application, and proceeds from any shared lands will be accounted for in the production of the Well.

12. Also on April 11, 2014, the Commission entered Order No. 407-986, which, among other things, pooled all nonconsenting interests in an approximate 320-acre wellbore spacing unit for the N½ of Section 25, Township 5 North, Range 65 West, 6th P.M., for the LaSalle 25F-332 Well (API No. 05-123-37340), from the Niobrara Formation. Order No. 407-986 is not affected by this Application, and proceeds from any shared lands will be accounted for in the production of the Well.

13. On December 28, 2017, the Commission entered Order No. 407-2250, which, among other things, pooled all nonconsenting interests in two approximate 640acre wellbore spacing units for the $S\frac{1}{2}S\frac{1}{2}$ of Section 21, $S\frac{1}{2}S\frac{1}{2}$ of Section 22, $N\frac{1}{2}N\frac{1}{2}$ of Section 27, and the $N\frac{1}{2}N\frac{1}{2}$ of Section 8, Township 5 North, Range 65 West, 6th P.M., for the Stella 3N Well (API No. 05-123-44957) and the Stella 4N Well (API No. 05-123-44955), from the Niobrara Formation. Order No. 407-2250 is not affected by this Application, and proceeds from any shared lands will be accounted for in the production of the Well.

14. On January 4, 2018, the Commission entered Order No. 407-2259, which, among other things, pooled all nonconsenting interests in an approximate 640-acre wellbore spacing unit for the $S1_2N1_2$, $N1_2S1_2$ of Section 25 and the NE 1_2SW1_4 , SE 1_4NW1_4 , $N1_2SE1_4$, $S1_2NE1_4$ of Section 26, of Township 5 North, Range 65 West, 6th P.M., and the SW 1_4NW1_4 , NW 1_4SW1_4 of Section 30, Township 5 North, Range 64 West, 6th P.M., for the Bunting 26O-102 Well (API No. 05-123-44083), from the Niobrara Formation. Order No. 407-2259 is not affected by this Application, and proceeds from any shared lands will be accounted for in the production of the Well.

15. Also on January 4, 2018, the Commission entered Order No. 407-2260, which, among other things, pooled all nonconsenting interests in an approximate 640acre wellbore spacing unit for the $S_{12}^{\prime}N_{12}^{\prime}$, $N_{2}^{\prime}S_{12}^{\prime}$ of Section 25 and the NE $_{2}^{\prime}SW_{14}^{\prime}$, SE $_{14}^{\prime}NW_{14}^{\prime}$, N $_{2}^{\prime}SE_{14}^{\prime}$, S $_{12}^{\prime}NE_{14}^{\prime}$, of Section 26, of Township 5 North, Range 65 West, 6th P.M., and the SW $_{4}^{\prime}NW_{14}^{\prime}$, NW $_{4}^{\prime}SW_{14}^{\prime}$ of Section 30, Township 5 North, Range 64 West, 6th P.M., for the Bunting 26O-212 Well (API No. 05-123-45701), from the Niobrara Formation. Order No. 407-2260 is not affected by this Application, and proceeds from any shared lands will be accounted for in the production of the Well.

16. Also on January 4, 2018, the Commission entered Order No. 407-2261, which, among other things, pooled all nonconsenting interests in an approximate 640acre wellbore spacing unit for the $S_{2}^{\prime}N_{2}^{\prime}$, $N_{2}^{\prime}S_{2}^{\prime}$ of Section 25 and the NE $_{2}^{\prime}SW_{4}^{\prime}$, SE $_{4}^{\prime}NW_{4}^{\prime}$, N $_{2}^{\prime}SE_{4}^{\prime}$, S $_{2}^{\prime}NE_{4}^{\prime}$, of Section 26, of Township 5 North, Range 65 West, 6th P.M., and the SW $_{4}^{\prime}NW_{4}^{\prime}$, NW $_{4}^{\prime}SW_{4}^{\prime}$ of Section 30, Township 5 North, Range 64 West, 6th P.M., for the Bunting 26O-332 Well (API No. 05-123-44091), from the Niobrara Formation. Order No. 407-2261 is not affected by this Application, and proceeds from any shared lands will be accounted for in the production of the Well.

17. On January 10, 2018, the Commission entered Order No. 407-2283, which, among other things, pooled all nonconsenting interests in an approximate 400-acre wellbore spacing unit for the NW1/4NW1/4 of Section 25, N1/2N1/2 of Section 26, N1/2N1/2 of Section 27, and the NE1/4NE1/4 of Section 28, Township 5 North, Range 65 West, 6th P.M., for the Geib 26U-234 Well (API No. 05-123-44855), from the Niobrara Formation. Order No. 407-2283 is not affected by this Application, and proceeds from any shared lands will be accounted for in the production of the Well.

18. Also on January 10, 2018, the Commission entered Order No. 407-2284, which, among other things, pooled all nonconsenting interests in an approximate 800acre wellbore spacing unit for the SE¼SE¼ of Section 21, S½S½ of Section 22, S½S½ of Section 23, SW¼SW¼ of Section 24, NW¼NW¼ of Section 25, N½N½ of Section 26, N½N½ of Section 27, and the NE¼NE¼ of Section 28, Township 5 North, Range 65 West, 6th P.M., for the Geib 26U-304 Well (APO No. 05-123-44863), from the Niobrara Formation. Order No. 407-2284 is not affected by this Application, and proceeds from any shared lands will be accounted for in the production of the Well.

19. Also on January 10, 2018, the Commission entered Order No. 407-2285, which, among other things, pooled all nonconsenting interests in an approximate 400acre wellbore spacing unit for the NW¼NW¼ of Section 25, N½N½ of Section 26, N½N½ of Section 27, and the NE¼NE¼ of Section 28, Township 5 North, Range 65 West, 6th P.M., for the Geib 26V-314 Well (API No. 05-123-44860), from the Niobrara Formation. Order No. 407-2285 is not affected by this Application, and proceeds from any shared lands will be accounted for in the production of the Well.

20. The COGCC has not published any additional orders affecting the Application Lands as of the date of this Application.

21. PDC designated this 800-acre Wellbore Spacing Unit for the production of oil, gas, and associated hydrocarbons from the Niobrara Formation as provided by Rule 318A and notified the appropriate parties under Rule 318A.

22. Under the provisions of Rule 530 and C.R.S. § 34-60-116(6)–(7), PDC requests an order pooling all interests, including nonconsenting interests and the ability to drill through all tracts, in the Application Lands for the development of the Niobrara Formation underlying the following approximate 800-acre Wellbore Spacing Unit:

Township 5 North, Range 65 West, 6th P.M. Section 25: W1/2NW1/4 Section 26: N1/2 Section 27: N1/2 Section 28: E1/2NE1/4

Weld County, Colorado ("Wellbore Spacing Unit" in this Application)

23. PDC requests that the Commission's pooling order be made effective as of the earlier date of this Application, or the date that the costs specified in C.R.S. § 34-60-116(7)(b)(II) are first incurred for the drilling of the Geib 26V-304 Well to the Niobrara Formation on the Application Lands.

24. The granting of this Application is in accord with the Oil and Gas Conservation Act, C.R.S. § 34-60-101 et seq., and the Commission Rules.

25. PDC requests that the relief granted under this Application be effective upon oral order of the Commission, and PDC hereby agrees to be bound by such oral order.

26. PDC certifies that copies of this Application will be served on all owners of the mineral estate, as indicated and required by Rule 507.b(2), underlying the tracts of the Application Lands to be pooled within seven (7) days of the date hereof, and that at least thirty-five (35) days prior to the hearing on this matter, each such interest owner not already leased or voluntarily pooled will be offered the opportunity to lease, or to participate in the drilling of the Well, and will be provided with the information required by Rule 530. The list of such Interested Parties, with all known parties to be pooled, is attached as Exhibit A.

27. In order to prevent waste and to protect correlative rights, all interests and tracts in the Wellbore Spacing Unit should be pooled for the orderly drilling and development of the Niobrara Formation.

WHEREFORE, PDC respectfully requests that this matter be set for hearing at the next available opportunity, that notice be given as required by law, and that the Commission enter an Order:

- A. Pooling all interests in the Application Lands and the Wellbore Spacing Unit for the development of the Niobrara Formation;
- B. Providing that the Commission's pooling order is made effective as of the earlier date of the Application, or the date that the costs specified in C.R.S. § 34-60-116(7)(b)(II) are first incurred for the drilling of the Geib 26V-304 Well in the Wellbore Spacing Unit to the Niobrara Formation on the Application Lands;
- C. Providing that the interests of any owners with whom PDC has been unable to secure a lease, other agreement to participate in the drilling of the authorized well(s), or those who consented to be pooled are pooled by operation of statute, pursuant to C.R.S. § 34-60-116(7), and made subject to the cost recovery provisions thereof with respect to the Geib 26V-304 Well drilled to develop the Niobrara Formation in the Wellbore Spacing Unit comprised of the Application Lands; and
- D. Providing for such other findings and order as the Commission may deem proper or advisable in this matter.

DATED this 1st day of March, 2018.

Respectfully submitted,

PDC Energy, Inc.

By:

Michael T. Jewell, Esq. #40902 Courtney M. Shephard, Esq. #47668

Burns, Figa & Will, P.C. 6400 S. Fiddler's Green Circle – Suite 1000 Greenwood Village, CO 80111

PDC Energy, Inc. Mr. Joshua B. Wagner, CPL 1775 Sherman Street - Suite 3000 Denver, CO 80203

VERIFICATION

STATE OF COLORADO

SS.

COUNTY OF DENVER

55.

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

1. He is the Land Supervisor – Wattenberg for PDC Energy, Inc., which address is 1775 Sherman Street, Suite 3000, Denver, CO 80203.

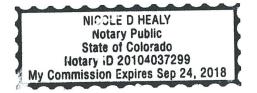
2. He has read the attached application for the Geib 26V-304 well, is familiar with the facts set forth therein, and states that said facts are true and correct to the best of his knowledge and belief.

Further Affiant sayeth not.

Joshua B. Wagner

Subscribed and sworn to before me this 157 day of March. 2018.

Witness my hand and official seal. My commission expires: <u><u>9.24.18</u></u>



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EXHIBIT A

Interested Parties

Geib 26V-304 Well

"*" denotes the interested parties that <u>may</u> be subject to the statutory cost recovery provisions of C.R.S. § 34-60-116.

PDC Energy, Inc.
Allen C. Stout*
Alma L. Tisher and Kelly B. Tisher, as joint tenants*
Anadarko E&P Onshore LLC*
Andrews Capitol Holdings*
Argonaut Ventures, LLC*
Barbara H. Irwin*
Bill L. Dumler*
Black Knife Minerals, LLC*
Cade Oil and Gas, LLC*
Carol E. Barrett and Ronnie A. Barrett, as joint tenants*
Clarence D. Ehrlich*
Comanche Enterprises, Inc.*
Cyril John Grossaint*
Daniel K. Gibbs and Janet J. Gibbs, as joint tenants*
Daryl D. Taylor, a/k/a Daryl Dean Taylor*
Don Lee Schafer, as Trustee of the Don Lee Schafer Living Trust, dated July 14, 2006*
Donald P. Hill Trust, dated July 19, 1999*

Duwain D. Kaveny*

Duwain D. Kaveny, Trustee of the Brian L. Kaveny Trust*

Duwain D. Kaveny, Trustee of the Roger A. Kaveny Trust*

EG, LLC*

Eileen Dumler*

Elk Exploration, Inc.*

Eudora Autrey and Mildred Miller, as Co-Trustees of the Ernest E. Sanders Family Trust*

FBO Investments, LLLP*

Floyd S. Sharp and Wauneta Sharp, as joint tenants*

Fougasse Ventures, LLC*

Harry Lee Alles*

Howard L. Moran and Teresa A. Moran, as joint tenants*

Incline Niobrara Partners LP*

J. Larry Ehrlich*

James D. Wicklatz*

James E. Vetting*

James P. Miller and Mildred H. Miller, Co-Trustees of the James P. Miller Revocable Trust, dated October 25, 1991, as amended and restated by its First Amendment and Restatement dated January 30, 1996*

Jamie E. Autrey*

Joanne F. Hart and Gerald L. Hart, as joint tenants*

John Lee Alles and Lorraine P. Alles, as joint tenants*

John P. Allen*

John T. Autrey*

Johns Hopkins University*

Jonathan Ehrlich*

Jonathan S. Roderick, Trustee of the Jonathan S. Roderick Living Trust, dated February 8, 2007*

Jose A. Aguirre*

Jose Menjivar and Alma Menjivar, as joint tenants*

Karen D. Diehl*

Katharine A. Wicklatz*

Keith Joseph Grossaint*

Kenneth Davies Hill*

Kristin Hoch Quinn*

KRL Black River Royalty*

Laura Elizabeth Leonard Insurance Trust*

Lennan Main, Ltd.*

Lezlee Clark McQueen*

Lidia Work, Trustee of the Lidia Work Trust, dated September 28, 1987*

Linda A. Wegher*

Linda Dianne Weingardt, f/k/a Linda Dianne Ottinger*

Lisa J. Johnson*

Louis A. Oswald, III, Trustee of the Oswald Family Trust, dated April 27, 1998*

Louise Keffler*

Marise R. Downing*

Mark Hamilton*

Mary K. Sheehan*

Matthew L. Geib and Lisa R. Geib, as joint tenants*
Michael J. Boulter and Daisy I. Boulter, as joint tenants*
Michael L. Shortridge*
Michele I. Vetting*
Miresco, Inc.*
Nancy Stroh*
New Direction IRA, Inc., FBO Rita A. Cassell IRA*
Noble Energy, Inc.*
Norma J. Wegher*
O. Paul Leonard, III*
Odyssey Royalties, LLC*
Paragon Oil & Gas LLC*
Pepco, Inc.*
Pulsar Oil and Gas, Inc.*
Pumpkin Buttes LLC*
Reuben Ehrlich*
Richard Jeffrey Grossaint*
Rita Cassell Living Trust, dated July 25, 2006*
Robert D. Bowers and Thelma E. Bowers, as joint tenants*
ROEC, Inc.*
Roger C. Keaton, II*
Rosemary Alene Mathis*
Russell Ehrlich*

Russell T. Rudy Energy, LLC*

Ryland Royalty*

S. Greg Keaton*

Sandy Kenney*

Sayers S. Neugent Revocable Trust, dated November 21, 2016*

Sequoia Royalty Company, LLC*

Sister Mary Wegher*

Springbok Energy Partners, LLC*

Stephen E. Mokray and Bertha M. Mokray Joint Revocable Trust*

Susan Carol Alles*

Synergy Resources Corporation*

Tall Grass Energy LLC*

The Estate of Jesse B. Taylor*

The Harry Lee Alles Revocable Trust, Marion Mallard as Trustee*

Toni L. Dengler*

Top Rock Resources, LLC*

Trinity Resources LLC*

Vera M. Hoff*

Viola May Amen*

Virginia G. Nance*

Walter E. Hoff*

Westco Family Limited Partnership*

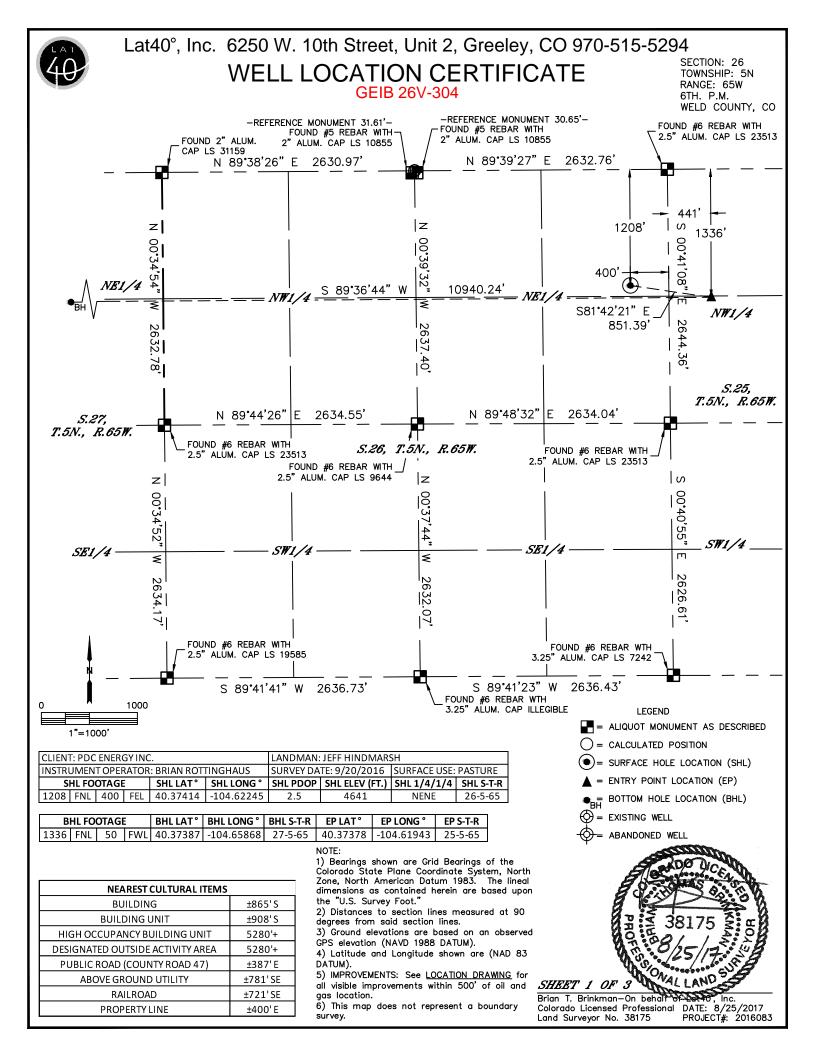
William R. Sarran Revocable Trust, dated June 15, 2008*

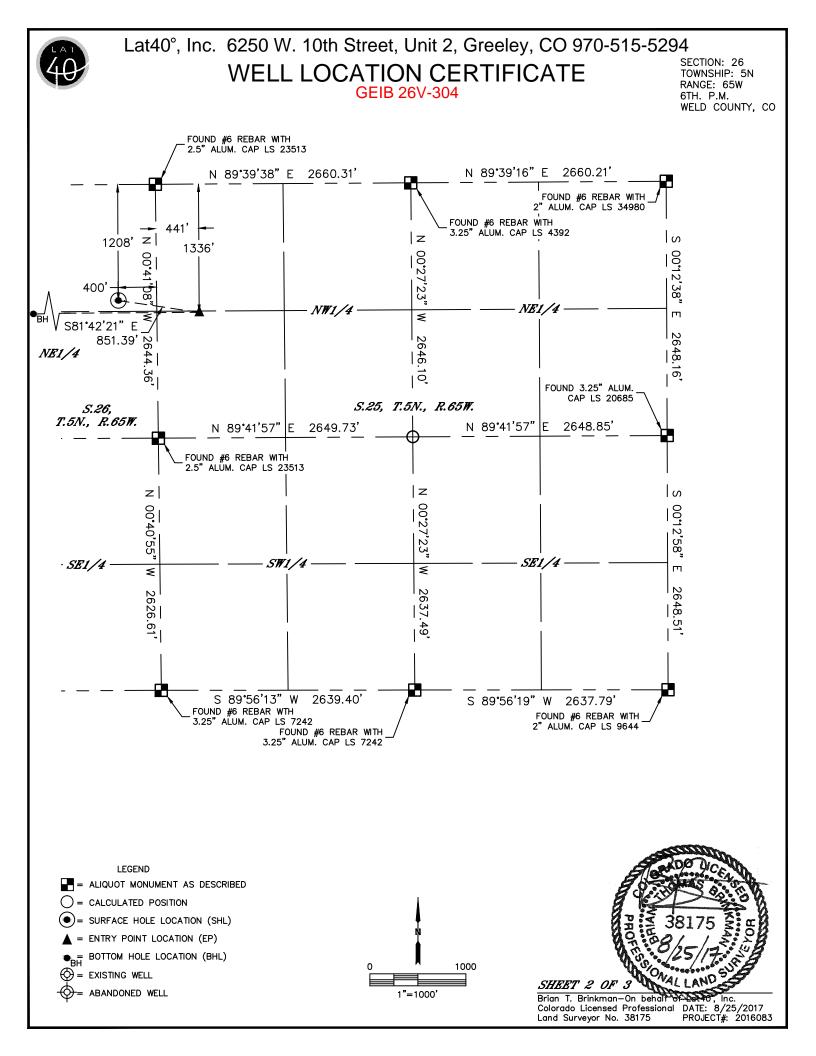
<u>EXHIBIT B</u>

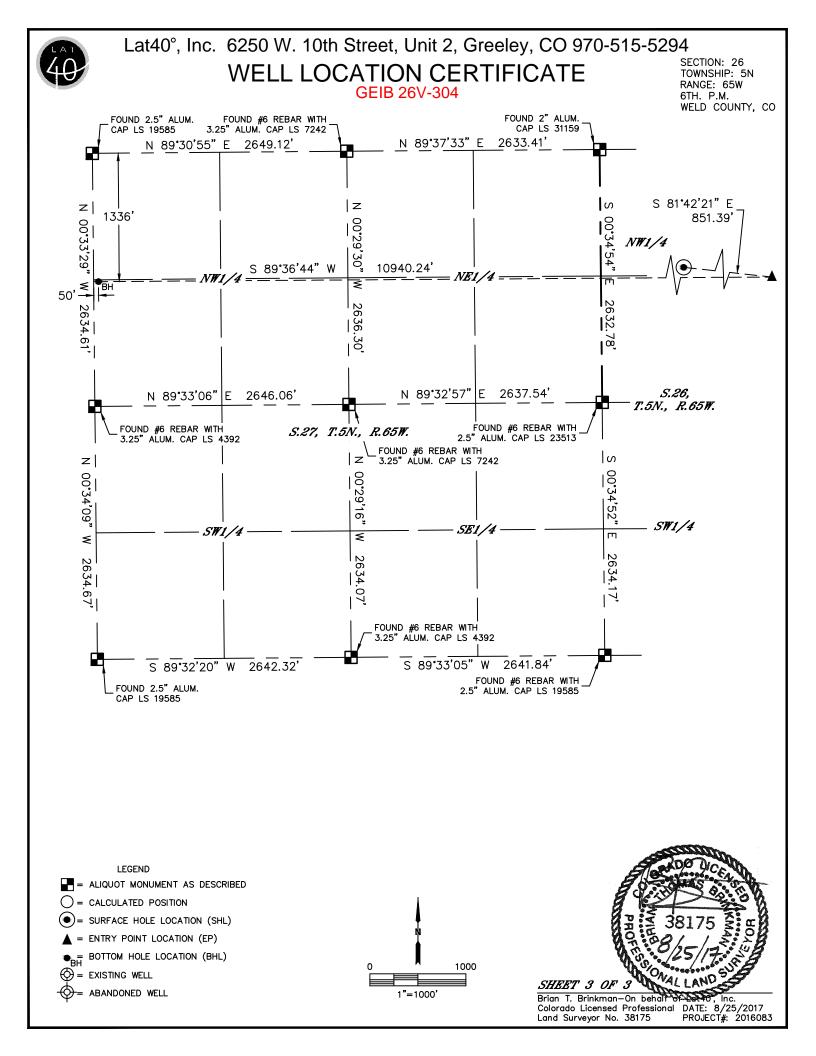
Plat

Geib 26V-304 Well

[ATTACHED]







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

IN THE OF THE PROMULGATION AND
ESTABLISHMENT OF FIELD RULES TO
GOVERN OPERATIONS FOR THECAUSE NO.BOVERN OPERATIONS FOR THE
NIOBRARA FORMATION, WATTENBERG
FIELD, WELD COUNTY, COLORADODOCKET NO.180400326FIELD, WELD COUNTY, COLORADOTYPE:POOLING

CERTIFICATE OF SERVICE

Courtney M. Shephard, of lawful age, and being first duly sworn upon her oath, states and declares:

That she is the attorney for PDC Energy, Inc., and that on March 7, 2018, she caused a copy of the Application submitted to COGCC on March 1, 2018, to be deposited in the United States Mail, postage prepaid, addressed to the interested parties with known addresses listed on <u>Exhibit A</u> to the Application.

By: Contrey M. She

Courtney M. Shephard, Esq. License #47668

Burns, Figa & Will, P.C. 6400 S. Fiddler's Green Circle – Suite 1000 Greenwood Village, CO 80111

STATE OF COLORADO)) SS. COUNTY OF ARAPAHOE)

Subscribed and sworn to before me this $12^{\frac{h}{2}}$ day of March, 2018.

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une 3

My commission expires:

PARASIA OLEKSIUK NOTARY PUBLIC STATE OF COLORADO NOTARY ID 20154021765 MY COMMISSION EXPIRES JUNE 3, 2019

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

IN THE OF THE PROMULGATION AND
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NIOBRARA FORMATION, WATTENBERG
FIELD, WELD COUNTY, COLORADODOCKET NO.180400326FIELD, WELD COUNTY, COLORADOTYPE:POOLING

CERTIFICATE OF SERVICE

Courtney M. Shephard, of lawful age, and being first duly sworn upon her oath, states and declares:

That she is the attorney for PDC Energy, Inc., and that on March 7, 2018, she caused a copy of the Application submitted to COGCC on March 1, 2018, to be deposited in the United States Mail, postage prepaid, addressed to the interested parties with known addresses listed on <u>Exhibit A</u> to the Application.

By: Contrey M. She

Courtney M. Shephard, Esq. License #47668

Burns, Figa & Will, P.C. 6400 S. Fiddler's Green Circle – Suite 1000 Greenwood Village, CO 80111

STATE OF COLORADO)) SS. COUNTY OF ARAPAHOE)

Subscribed and sworn to before me this $12^{\frac{h}{2}}$ day of March, 2018.

7

une 3

My commission expires:

PARASIA OLEKSIUK NOTARY PUBLIC STATE OF COLORADO NOTARY ID 20154021765 MY COMMISSION EXPIRES JUNE 3, 2019