

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

IN THE MATTER OF THE APPLICATION OF NICKEL ROAD OPERATING LLC FOR AN ORDER TO ESTABLISH AN APPROXIMATE 1,280-ACRE DRILLING AND SPACING UNIT FOR SECTIONS 11 AND 12, TOWNSHIP 7 NORTH, RANGE 65 WEST, 6TH P.M., AND TO AUTHORIZE THE DRILLING OF UP TO 24 HORIZONTAL WELLS IN THE UNIT FOR THE DEVELOPMENT AND OPERATION OF THE CODELL AND NIOBRARA FORMATIONS, WATTENBERG FIELD, WELD COUNTY, COLORADO.

CAUSE NO. 407

DOCKET NO. 180400_____

TYPE: SPACING

APPLICATION

Nickel Road Operating LLC (Operator No. 10669), together with Nickel Road FW, LLC, which is an affiliate of Nickel Road Operating LLC under common ownership and control (together, "Nickel Road" or "Applicant"), by and through its attorneys, Fox Rothschild LLP, respectfully submits this Application for an order to: 1) establish an approximate 1,280-acre drilling and spacing unit for Sections 11 and 12, Township 7 North, Range 65 West, 6th P.M. for the production of oil, gas and associated hydrocarbons from the Codell and Niobrara Formations; and 2) to approve up to 24 new horizontal wells in the proposed approximate 1,280-acre drilling and spacing unit for the efficient and economic development of oil, gas, and associated hydrocarbons from the Codell and Niobrara Formations underlying the below-described lands. In support of its Application, Applicant states and alleges as follows:

1. Applicant is a limited liability company duly authorized to conduct business in the State of Colorado, and is a registered operator in good standing with the Commission.

2. Applicant is an Owner as defined by the Colorado Oil and Gas Conservation Act, § 34-60-103(7) and the Commission 100 Series Rules, and owns leasehold interests and/or has the right to drill and produce on the following lands ("Application Lands"):

Township 7 North, Range 65 West, 6th P.M.

Section 11: All

Section 12: All

1,280-acres, more or less, Weld County, Colorado.

A reference map of the Application Lands is attached hereto and incorporated herein as **Exhibit A**.

3. Rule 318.a. provides that "a well to be drilled two thousand five hundred (2,500) feet or greater shall be located not less than six hundred (600) feet from any lease line, and shall be located not less than one thousand two hundred (1,200) feet from any other producible or drilling oil or gas well when drilling to the same common source of supply, unless authorized by order of the Commission upon hearing."

4. On April 27, 1998, the Commission adopted Rule 318A, which, among other things, allowed certain drilling locations to be utilized to drill or twin a well, deepen a well or recomplete a well and to commingle any or all of the Cretaceous Age Formations from the base of the Dakota Formation to the surface. On December 5, 2005, Rule 318A was amended to allow interior infill and boundary wells to be drilled and wellbore spacing units to be established. On August 8, 2011, Rule 318A was amended to, among other things, address drilling of horizontal wells but did not prohibit the establishment of drilling and spacing units within the Greater Wattenberg Area. The lands encompassing the Application Lands are subject to Rule 318A for wells drilled and producing in the Codell and Niobrara Formations, and also subject to 460' setbacks.

5. On or around February 2, 2018, Extraction Oil & Gas, Inc. ("Extraction") filed an Application in a pending Docket No. for an order to, among other things, vacate Order No. 407-1000 and establish an approximate 1,920-acre drilling and spacing unit for portions of Sections 8, 9, 10 and 11, Township 7 North, Range 65 West, 6th P.M.

6. As Extraction's Application was filed after the March 2018 hearing application filing deadline of January 18, 2018, Nickel Road assumes that Extraction's Application will be scheduled for hearing on April 30 – May 1, 2018; however, for avoidance of doubt, Nickel Road respectfully requests that Extraction's Application to establish an approximate 1,920-acre drilling and spacing unit for portions of the Application Lands be continued to the April 2018 hearing to allow the parties time to discuss the competing Applications.

7. The records of the Commission reflect that no wells are currently producing from the Codell or Niobrara Formations on the Application Lands.

8. To promote efficient drainage within the Codell and Niobrara Formations of the Application Lands, to protect correlative rights and to avoid waste, the Commission should establish an approximate 1,280-acre drilling and spacing unit for Application Lands for the efficient and economic development and operation of the Codell and Niobrara Formations.

9. The above-proposed drilling and spacing unit will allow efficient drainage of the Codell and Niobrara Formations; will prevent waste; will not adversely affect correlative rights and will assure the greatest ultimate recovery of gas and associated hydrocarbon substances from the reservoirs. The unit of the size and shape specified above is not smaller than the maximum area that can be economically and efficiently drained by the proposed well in the unit.

10. Applicant maintains that there will be no more than two new well pads in the unit, or adjacent thereto, unless an exception is granted by the Director.

11. The treated interval of each proposed horizontal well shall be no closer than 460 feet from the boundaries of the proposed unit, and all horizontal wells shall be no closer than 150 feet from the treated interval of another well producing from the same formation within the unit, unless a waiver or consent is obtained from the operator of such well.

12. Applicant is requesting to drill and complete up to 24 new horizontal wells in the proposed approximate 1,280-acre drilling and spacing unit for the efficient and economic development of oil, gas and associated hydrocarbons from the Codell and Niobrara Formations underlying the Application Lands.

13. The undersigned certifies that copies of this Application will be served on each interested party set forth in **Exhibit B**, attached hereto and incorporated herein, as required by Rule 507 within seven (7) days of the filing hereof, as required by Rule 503.e.

14. 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 Commission Rules.

15. Applicant requests that relief granted under this Application should be effective on oral order by the Commission, and Applicant hereby agrees to be bound by said oral order.

WHEREFORE, Applicant respectfully requests that this matter be set for hearing on April 30, 2018, that notice be given as required by law, and that upon such hearing, the Commission enter its order to:

A. Establish an approximate 1,280-acre drilling and spacing unit for Sections 11 and 12, Township 7 North, Range 65 West, 6th P.M. for the production of oil, gas and associated hydrocarbons from the Codell and Niobrara Formations, and approve up to 24 new horizontal wells in the proposed approximate 1,280-acre drilling and spacing unit for the efficient and economic development of oil, gas, and associated hydrocarbons from the Codell and Niobrara Formations underlying the Application Lands.

B. Providing that the treated interval of each proposed horizontal well shall be no closer than 460 feet from the boundaries of the proposed unit, and all horizontal wells shall be no closer than 150 feet from the treated interval of another well producing from the same supply within the unit, unless a waiver or consent is obtained from the operator of such well.

C. Providing that no more than two new well pads be authorized in the unit, or adjacent thereto, unless an exception is granted by the Director.

D. Finding that the approximate 1,280-acre drilling and spacing unit for the development of oil, gas, and associated hydrocarbons from the Codell and Niobrara Formations underlying the Application Lands will prevent waste, protect correlative rights, and maximize the efficient and economic production of the Codell and Niobrara Formations.

E. For such other findings and orders as the Commission may deem proper or advisable in this matter.

Respectfully dated and submitted this 1st day of March, 2018.

By: 

Brent D. Chicken (Colorado Bar No. 36217)
Melissa Lyon (Colorado Bar No. 45791)
Fox Rothschild LLP
Attorney for Applicant
1225 17th Street
Suite 2200
Denver, CO 80202
303.446.3844

Applicant:

Nickel Road Operating LLC
Attn: Andrew Haney
999 18th St., Ste. 3370
Denver, CO 80202

Local Governmental Designee:

Troy Swain
Weld County Department of Planning Services
1555 N. 17th Ave.
Greeley, CO 80631
970.400.3579
tswain@weldgov.com

VERIFICATION

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

Andrew Haney, of lawful age, being first duly sworn upon oath, deposes and says that he is the Managing Partner for Nickel Road Operating LLC and that he has read the foregoing Application and that the matters therein contained are true to the best of his knowledge, information and belief.

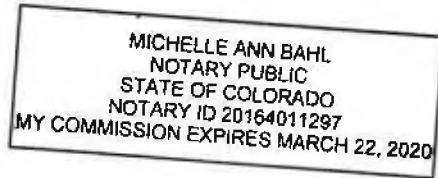


Andrew Haney
Managing Partner
Nickel Road Operating LLC

Subscribed and sworn to before me this 23RD day of February, 2018.

Witness my hand and official seal.

[SEAL]



My commission expires: 03/22/2020



Notary Public

EXHIBIT A
PROPOSED DSU MAP

Township 7 North, Range 65 West, 6th P.M.

Section 11: All

Section 12: All

Containing 1,280.00 acres, more or less

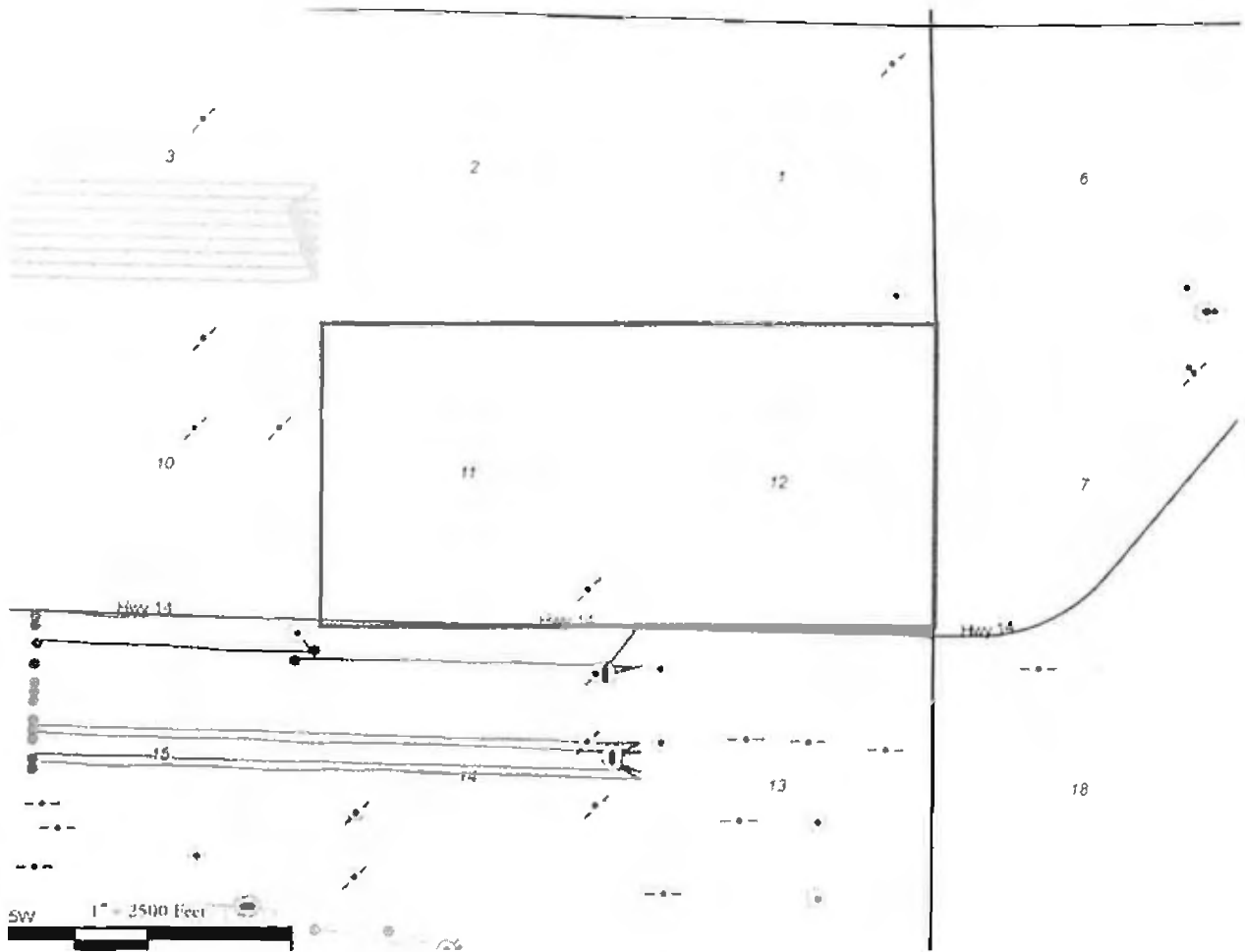


EXHIBIT B

INTERESTED PARTIES

The names and addresses of the interested parties (Owners within all of Sections 11 and 12, Township 1 North, Range 65 West, 6th P.M.), according to the information and belief of the Applicant, are set forth in this **Exhibit B**.

Troy Swain Weld County Dept. of Planning Services 1555 N. 17th Ave. Greeley, CO 80631	Kerr-McGee Oil & Gas Onshore LP 1099 18 th Street, Suite 1800 Denver CO 80202
WYOTEX Drilling Ventures, LLC PO Box 280969 Lakewood CO 80228	Nickel Road FW, LLC 407 Throckmorton Street, Suite 560 Fort Worth, TX 76102
Noffsinger Manufacturing Co., Inc. 500 6 th Avenue Greeley CO 80631	Marlene S. Elder Trust 20725 Hwy 14 Ault, CO 80610
Gene R. Elder Trust 20725 Hwy 14 Ault, CO 80610	Colorado State Dept of Highways 4201 E. Arkansas Avenue Division of Highways Denver CO 80222
Anadarko Land Corporation 1099 18 th Street, Suite 1800 Denver CO 80202	Nancy Ann Pomeroy 13960 Braun Dr Golden CO 80401
Suzanne Elizabeth Lutz Austin 12769 North 78 th Street Scottsdale AZ 85260	Michael Wathen, Trustee Major Family Irrevocable Trust 5565 South Kenton Way Englewood CO 80111
Centennial Mineral Holdings, LLC 5950 Cedar Springs Rd, Suite 200 Dallas TX 75235	Vine Royalty LP 600 Travis Street, Suite 7200 Houston TX 77002
Dios del Mar Royalty Holding Company PO Box 621128 Littleton CO 80162	Centennial Royalty JV 5000 Plaza on the Lake, Suite 250 Austin TX 78746
The William B. Preston Living Trust William B. and Linda L. Preston Trustees 11904 Arbor Street, Suite 200 Omaha NE 68114	Sierra Echo Resources 12105 Lake Stone Drive Austin TX 78738

Cayman Resources, Inc. 5773 Woodway Drive, PMB 412 Houston TX 77057	Peyton Energy LP 6850 TPC Drive, Suite 202 McKinney TX 75070
MadAnt Energy Inc. PO Box 100728 Denver CO 80250	Two Sisters, LLC 1712 Pioneer Avenue, Suite 470 Cheyenne WY 82001
Evergreen Marquee LLC 1685 S Colorado Blvd, S-361 Denver CO 80222	Extraction Oil and Gas LLC 370 17 th Street, Suite 5300 Denver CO 80202

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

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NICKEL ROAD OPERATING LLC FOR AN ORDER
TO ESTABLISH AN APPROXIMATE 1,280-ACRE
DRILLING AND SPACING UNIT FOR SECTIONS 11
AND 12, TOWNSHIP 7 NORTH, RANGE 65 WEST,
6TH P.M., AND TO AUTHORIZE THE DRILLING OF
UP TO 24 HORIZONTAL WELLS IN THE UNIT FOR
THE DEVELOPMENT AND OPERATION OF THE
CODELL AND NIOBRARA FORMATIONS,
WATTENBERG FIELD, WELD COUNTY,
COLORADO.

CAUSE NO. 407

DOCKET NO. 180400

TYPE: SPACING

CERTIFICATE OF SERVICE

Brent D. Chicken, of lawful age, and being first duly sworn upon his oath, states and declares that he is the attorney for Nickel Road Operating LLC in the above-captioned matter, and that on March 1, 2018, he caused a copy of the attached Application to be deposited in the United States Mail, postage prepaid, addressed to the parties listed on Exhibit B to the Application.



Brent D. Chicken

Subscribed and sworn to before me on the 1st day of March, 2018.

Witness my hand and official seal.

STEPHANEE R ESTRELLA
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 19944019564
MY COMMISSION EXPIRES 12/07/2018


Notary Public
State of Colorado

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

IN THE MATTER OF THE APPLICATION OF
NICKEL ROAD OPERATING LLC FOR AN ORDER
TO ESTABLISH AN APPROXIMATE 1,280-ACRE
DRILLING AND SPACING UNIT FOR SECTIONS
11 AND 12, TOWNSHIP 7 NORTH, RANGE 65
WEST, 6TH P.M., AND TO AUTHORIZE THE
DRILLING OF UP TO 24 HORIZONTAL WELLS IN
THE UNIT FOR THE DEVELOPMENT AND
OPERATION OF THE CODELL AND NIOBRARA
FORMATIONS, WATTENBERG FIELD, WELD
COUNTY, COLORADO.

CAUSE NO. 407

DOCKET NO. 180400343

TYPE: SPACING

SUPPLEMENTAL CERTIFICATE OF SERVICE AND
NOTICE OF HEARING CERTIFICATE OF SERVICE

Brent D. Chicken, of lawful age, and being first duly sworn upon his oath, states and declares that he is the attorney for Nickel Road Operating LLC ("Nickel Road") with respect to the above-captioned matter, and that on March 1, 2018, he filed a Certificate of Service with the Colorado Oil and Gas Conservation Commission ("Commission") indicating that a copy of Nickel Road's Application in the above-captioned matter had been deposited in the United States Mail, postage prepaid, addressed to the parties identified in Exhibit "B" to such Application, including the following parties:

Centennial Royalty JV
5000 Plaza of the Lake
Ste. 250
Austin, TX 78746

Sierra Echo Resources
12105 Lake Stone Dr.
Austin, TX 78738

Cayman Resources, Inc.
5773 Woodway Dr.
PMB 412
Houston, TX 77057

Subsequent to the foregoing, the mailings to the foregoing interested parties were returned undeliverable. The undersigned was then advised that Nickel Road had located (or had been provided with) updated last known mailing addresses for the foregoing interested parties.

Accordingly, on March 26, 2018 the undersigned caused a true and complete copy of Nickel Road's Application in the above-captioned matter and the Notice of Hearing to be sent to the foregoing parties at the following corrected addresses:

Centennial Royalty JV
317 Ranch Rd. 320 S.
Ste. 205


Austin, TX 78734

Sierra Echo Resources
317 Ranch Rd. 320 S.
Ste. 205
Austin, TX 78734

Cayman Resources, Inc.
317 Ranch Rd. 320 S.
Ste. 205
Austin, TX 78734

All further correspondence and notices concerning Nickel Road's Application in the above-captioned matter shall be sent to the foregoing interested parties at the foregoing corrected addresses.

In addition, on March 26, 2018, the undersigned also caused a true and complete copy of the Notice of Hearing in the above-captioned matter to be sent to all interested parties set forth in Exhibit "B" to Nickel Road's Application, as amended by this Supplemental Certificate of Service and Notice of Hearing Certificate of Service


Brent D. Chicken

Subscribed and sworn to before me on the 26th day of March, 2018.

Witness my hand and official seal.

STEPHANEE R ESTRELLA
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 19944019564
MY COMMISSION EXPIRES 12/07/2018


Notary Public

**BEFORE THE OIL AND GAS CONSERVATION COMMISSION
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NICKEL ROAD OPERATING LLC FOR AN ORDER
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11 AND 12, TOWNSHIP 7 NORTH, RANGE 65
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FORMATIONS, WATTENBERG FIELD, WELD
COUNTY, COLORADO.

CAUSE NO. 407
DOCKET NO. 180400343
TYPE: SPACING

SECOND SUPPLEMENTAL CERTIFICATE OF SERVICE

Brent D. Chicken, of lawful age, and being first duly sworn upon his oath, states and declares that he is the attorney for Nickel Road Operating LLC ("Nickel Road") with respect to the above-captioned matter, and that on March 1, 2018, he filed a Certificate of Service with the Colorado Oil and Gas Conservation Commission ("Commission") indicating that a copy of Nickel Road's Application in the above-captioned matter had been deposited in the United States Mail, postage prepaid, addressed to the parties identified in Exhibit "B" to such Application, including the following parties:

MadAnt Energy Inc.
P.O. Box 100728
Denver, CO 80250

Subsequent to the foregoing, the mailings to the foregoing interested party were returned undeliverable. The undersigned was then advised that Nickel Road had located (or had been provided with) updated last known mailing addresses for the foregoing interested parties.

Accordingly, on April 5, 2018 the undersigned caused a true and complete copy of Nickel Road's Application and the Notice of Hearing in the above-captioned matter to be sent to the foregoing party at the following corrected addresses:

MadAnt Energy Inc.
P.O. Box 103310
Denver, CO 80250

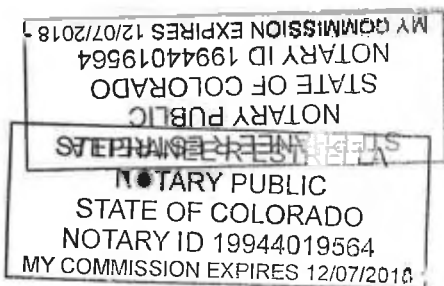
MadAnt Energy Inc.
1776 S. Jackson St.
Ste. 1101
Denver, CO 80210

All further correspondence and notices concerning Nickel Road's Application in the above-captioned matter shall be sent to the foregoing interested parties at the foregoing corrected addresses.

Brent D. Chicken

Subscribed and sworn to before me on the 5th day of April, 2018.

Witness my hand and official seal.



Stephanie R. Estelle
Notary Public

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

IN THE MATTER OF THE APPLICATION OF
NICKEL ROAD OPERATING LLC FOR AN ORDER
TO ESTABLISH AN APPROXIMATE 1,280-ACRE
DRILLING AND SPACING UNIT FOR SECTIONS 11
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THE DEVELOPMENT AND OPERATION OF THE
CODELL AND NIOBRARA FORMATIONS,
WATTENBERG FIELD, WELD COUNTY,
COLORADO.

CAUSE NO. 407

DOCKET NO. 180400343

TYPE: SPACING

THIRD SUPPLEMENTAL CERTIFICATE OF SERVICE

Brent D. Chicken, of lawful age, and being first duly sworn upon his oath, states and declares that he is the attorney for Nickel Road Operating LLC in the above-captioned matter, and that on April 27, 2018, he caused a copy of the attached Application and Amended Notice of Hearing, and this Third Supplemental Certificate of Service, to be deposited in the United States Mail, postage prepaid, addressed to the parties listed on Exhibit "A," attached hereto and incorporated herein.


Brent D. Chicken

Acknowledged, subscribed and sworn to before me on the 27th day of April, 2018.

Witness my hand and official seal.

STEPHANEE R ESTRELLA
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 19944019564
MY COMMISSION EXPIRES 12/07/2018

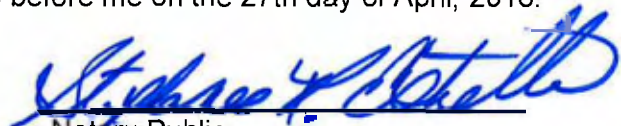

Notary Public
State of Colorado

EXHIBIT "A"

INTERESTED PARTIES

The names and addresses of the interested parties associated with the above-captioned matter (Owners within all of Sections 11 and 12, Township 1 North, Range 65 West, 6th P.M.), according to the information and belief of the Nickel Road Operating LLC, are set forth in this **Exhibit "A."**

Troy Swain Weld County Dept. of Planning Services 1555 N. 17th Ave. Greeley, CO 80631	Kerr-McGee Oil & Gas Onshore LP 1099 18 th Street, Suite 1800 Denver CO 80202
WYOTEX Drilling Ventures, LLC PO Box 280969 Lakewood CO 80228	Nickel Road FW, LLC 407 Throckmorton Street, Suite 560 Fort Worth, TX 76102
Noffsinger Manufacturing Co., Inc. 500 6 th Avenue Greeley CO 80631	Marlene S. Elder Trust 20725 Hwy 14 Ault, CO 80610
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Suzanne Elizabeth Lutz Austin 12769 North 78 th Street Scottsdale AZ 85260	Michael Wathen, Trustee Major Family Irrevocable Trust 5565 South Kenton Way Englewood CO 80111
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Dios del Mar Royalty Holding Company PO Box 621128 Littleton CO 80162	Centennial Royalty JV 317 Ranch Road 320 S. Suite 205 Austin TX 78734

<p>The William B. Preston Living Trust William B. and Linda L. Preston Trustees 11904 Arbor Street, Suite 200 Omaha NE 68114</p>	<p>Sierra Echo Resources 317 Ranch Road 320 S. Suite 205 Austin TX 78734</p>
<p>Cayman Resources, Inc. 317 Ranch Road 320 S Suite 205 Austin, TX 78734</p>	<p>Peyton Energy LP 6850 TPC Drive, Suite 202 McKinney TX 75070</p>
<p>Confluence DJ LLC 1001 17th Street, Suite 1250 Denver CO 80202</p>	<p>Candance Louise Chalfant 17656 E. Progress Drive Centennial CO 80015</p>
<p>Evergreen Marquee LLC 1685 S Colorado Blvd, S-361 Denver CO 80222</p>	<p>Extraction Oil and Gas LLC 370 17th Street, Suite 5300 Denver CO 80202</p>
<p>MadAnt Energy Inc. PO Box 103310 Denver CO 80250</p>	<p>Two Sisters, LLC 1712 Pioneer Avenue, Suite 470 Cheyenne WY 82001</p>

**BEFORE THE OIL AND GAS CONSERVATION COMMISSION
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IN THE MATTER OF THE APPLICATION OF NICKEL ROAD OPERATING LLC FOR AN ORDER TO ESTABLISH AN APPROXIMATE 1,280-ACRE DRILLING AND SPACING UNIT FOR SECTIONS 11 AND 12, TOWNSHIP 7 NORTH, RANGE 65 WEST, 6TH P.M., AND TO AUTHORIZE THE DRILLING OF UP TO 24 HORIZONTAL WELLS IN THE UNIT FOR THE DEVELOPMENT AND OPERATION OF THE CODELL AND NIOBRARA FORMATIONS, WATTENBERG FIELD, WELD COUNTY, COLORADO.

CAUSE NO. 407

DOCKET NO. 180400³⁴³

TYPE: SPACING

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1. Applicant is a limited liability company duly authorized to conduct business in the State of Colorado, and is a registered operator in good standing with the Commission.

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1,280-acres, more or less, Weld County, Colorado.

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8. To promote efficient drainage within the Codell and Niobrara Formations of the Application Lands, to protect correlative rights and to avoid waste, the Commission should establish an approximate 1,280-acre drilling and spacing unit for Application Lands for the efficient and economic development and operation of the Codell and Niobrara Formations.

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10. Applicant maintains that there will be no more than two new well pads in the unit, or adjacent thereto, unless an exception is granted by the Director.

11. The treated interval of each proposed horizontal well shall be no closer than 460 feet from the boundaries of the proposed unit, and all horizontal wells shall be no closer than 150 feet from the treated interval of another well producing from the same formation within the unit, unless a waiver or consent is obtained from the operator of such well.

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14. 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 Commission Rules.

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D. Finding that the approximate 1,280-acre drilling and spacing unit for the development of oil, gas, and associated hydrocarbons from the Codell and Niobrara Formations underlying the Application Lands will prevent waste, protect correlative rights, and maximize the efficient and economic production of the Codell and Niobrara Formations.

E. For such other findings and orders as the Commission may deem proper or advisable in this matter.

Respectfully dated and submitted this 1st day of March, 2018

By: 

Brent D. Chicken (Colorado Bar No. 36217)
Melissa Lyon (Colorado Bar No. 45791)
Fox Rothschild LLP
Attorney for Applicant
1225 17th Street
Suite 2200
Denver, CO 80202
303.446.3844

Applicant:

Nickel Road Operating LLC
Attn: Andrew Haney
999 18th St., Ste. 3370
Denver, CO 80202

Local Governmental Designee:

Troy Swain
Weld County Department of Planning Services
1555 N. 17th Ave.
Greeley, CO 80631
970.400.3579
tswain@weldgov.com

VERIFICATION

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

Andrew Haney, of lawful age, being first duly sworn upon oath, deposes and says that he is the Managing Partner for Nickel Road Operating LLC and that he has read the foregoing Application and that the matters therein contained are true to the best of his knowledge, information and belief.



Andrew Haney
Managing Partner
Nickel Road Operating LLC

Subscribed and sworn to before me this 23RD day of February, 2018.

Witness my hand and official seal.

[SEAL]

MICHELLE ANN BAHL
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20164011297
MY COMMISSION EXPIRES MARCH 22, 2020

My commission expires: 03/22/2020



Notary Public

**EXHIBIT A
PROPOSED DSU MAP**

Township 7 North, Range 65 West, 6th P.M.

Section 11: All

Section 12: All

Containing 1,280.00 acres, more or less

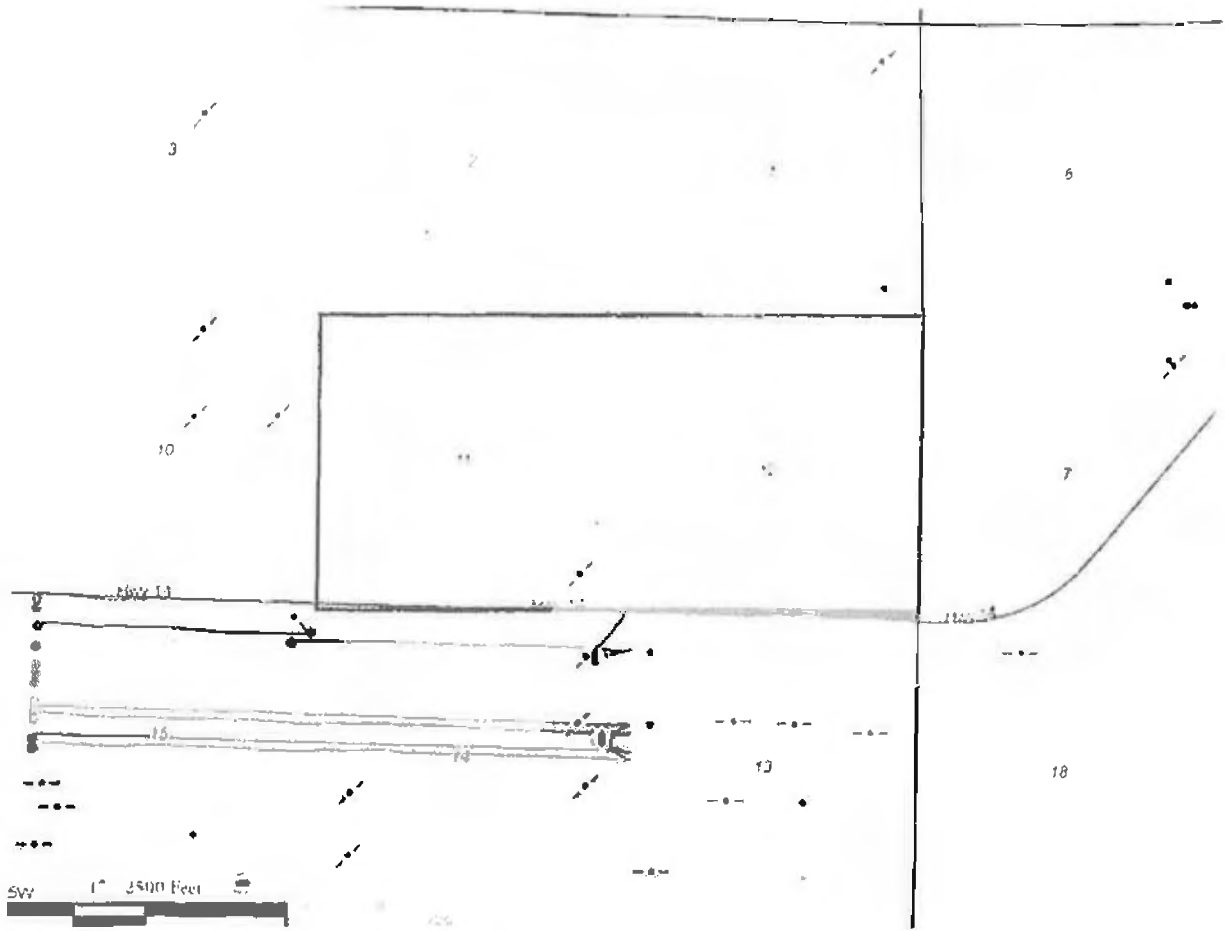


EXHIBIT B

INTERESTED PARTIES

The names and addresses of the interested parties (Owners within all of Sections 11 and 12, Township 1 North, Range 65 West, 6th P.M.), according to the information and belief of the Applicant, are set forth in this **Exhibit B**.

Troy Swain Weld County Dept. of Planning Services 1555 N. 17th Ave. Greeley, CO 80631	Kerr-McGee Oil & Gas Onshore LP 1099 18 th Street, Suite 1800 Denver CO 80202
WYOTEX Drilling Ventures, LLC PO Box 280969 Lakewood CO 80228	Nickel Road FW, LLC 407 Throckmorton Street, Suite 560 Fort Worth, TX 76102
Noffsinger Manufacturing Co., Inc. 500 6 th Avenue Greeley CO 80631	Marlene S. Elder Trust 20725 Hwy 14 Ault; CO 80610
Gene R. Elder Trust 20725 Hwy 14 Ault, CO 80610	Colorado State Dept of Highways 4201 E. Arkansas Avenue Division of Highways Denver CO 80222
Anadarko Land Corporation 1099 18 th Street, Suite 1800 Denver CO 80202	Nancy Ann Pomeroy 13960 Braun Dr Golden CO 80401
Suzanne Elizabeth Lutz Austin 12769 North 78 th Street Scottsdale AZ 85260	Michael Wathen, Trustee Major Family Irrevocable Trust 5565 South Kenton Way Englewood CO 80111
Centennial Mineral Holdings, LLC 5950 Cedar Springs Rd, Suite 200 Dallas TX 75235	Vine Royalty LP 600 Travis Street, Suite 7200 Houston TX 77002
Dios del Mar Royalty Holding Company PO Box 621128 Littleton CO 80162	Centennial Royalty JV 5000 Plaza on the Lake, Suite 250 Austin TX 78746
The William B. Preston Living Trust William B. and Linda L. Preston Trustees 11904 Arbor Street, Suite 200 Omaha NE 68114	Sierra Echo Resources 12105 Lake Stone Drive Austin TX 78738

Cayman Resources, Inc. 5773 Woodway Drive, PMB 412 Houston TX 77057	Peyton Energy LP 6850 TPC Drive, Suite 202 McKinney TX 75070
MadAnt Energy Inc. PO Box 100728 Denver CO 80250	Two Sisters, LLC 1712 Pioneer Avenue, Suite 470 Cheyenne WY 82001
Evergreen Marquee LLC 1685 S Colorado Blvd, S-361 Denver CO 80222	Extraction Oil and Gas LLC 370 17 th Street, Suite 5300 Denver CO 80202

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

IN THE MATTER OF THE PROMULGATION AND) CAUSE NO. 407
ESTABLISHMENT OF FIELD RULES TO GOVERN)
OPERATIONS FOR THE NIOBRARA AND CODELL) DOCKET NO. 180400343
FORMATIONS, WATTENBERG FIELD, WELD)
COUNTY, COLORADO) TYPE: SPACING

AMENDED NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

APPLICATION LANDS

Township 7 North, Range 65 West, 6th P.M.

Section 11: All

Section 12: All

APPLICATION

On March 1, 2018, Nickel Road Operating, LLC (Operator No. 10669), together with Nickel Road FW, LLC and Cobalt Oil & Gas, LLC, both of which are affiliates of Nickel Road Operating LLC under common ownership and control (together, "Nickel Road" or "Applicant"), filed a verified application pursuant to §34-60-116, C.R.S., for an order to:

1) Establish an approximate 1,280-acre drilling and spacing unit for Sections 11 and 12, Township 7 North, Range 65 West, 6th P.M. for the production of oil, gas, and associated hydrocarbons from the Niobrara and Codell Formations, and approve up to 24 new horizontal wells in the proposed approximate 1,280-acre drilling and spacing unit for the efficient and economic development of oil, gas, and associated hydrocarbons from the Niobrara and Codell Formations underlying the Application Lands.

3) Providing that the treated interval of each proposed horizontal well shall be no closer than 460 feet from the boundaries of the proposed unit, and all horizontal wells shall be no closer than 150 feet from the treated interval of another well producing from the same supply within the unit, unless a waiver or consent is obtained from the operator of such well.

4) Providing that no more than two new well pads be approved in the unit, or adjacent thereto, unless an exception is granted by the Director.

5) Finding that the approximate 1,280-acre drilling and spacing unit for the development of oil, gas, and associated hydrocarbons from the Niobrara and Codell Formations underlying the Application Lands will prevent waste, protect correlative rights, and maximize the efficient and economic production of the Niobrara and Codell Formations.

6) For such other findings and orders as the Commission may deem proper or advisable in this matter.

APPLICABLE ORDERS AND RULES

(available online at: <http://cogcc.state.co.us>, under "Regulation," then select "Orders" or "Rules")

- Rule 318.a. provides that "a well to be drilled two thousand five hundred (2,500) feet or greater shall be located not less than six hundred (600) feet from any lease line, and shall be located not less than one thousand two hundred (1,200) feet from any other producible or drilling oil or gas well when drilling to the same common source of supply, unless approved by order of the Commission upon hearing."
- On April 27, 1998, the Commission adopted Rule 318A, which, among other things, allowed certain drilling locations to be utilized to drill or twin a well, deepen a well or recomplete a well and to commingle any or all of the Cretaceous Age Formations from the base of the Dakota Formation to the surface. On December 5, 2005, Rule 318A was amended to allow interior infill and boundary wells to be drilled and wellbore spacing units to be established. On August 8, 2011, Rule 318A was amended to, among other things, address drilling of horizontal wells but did not prohibit the establishment of drilling and spacing units within the Greater Wattenberg Area. The lands encompassing the Application Lands are subject to Rule 318A for wells drilled and producing in the Niobrara and Codell Formations, and also subject to 460' setbacks.

NOTICE IS HEREBY GIVEN, pursuant to §§ 34-60-101 to -130, C.R.S., and the Commission's Rules of Practice and Procedure, 2 CCR 404-1, that the Commission has scheduled this matter for hearing on:

Date: **June 11-12** ~~April 30 – May 1~~, 2018

Time: 9:00 a.m.

Place: Colorado Oil and Gas Conservation Commission
The Chancery Building
1120 Lincoln Street, Suite 801
Denver, Colorado 80203


Additional information about the hearing on this Application will be in the Commission's Agenda, which is posted on the Commission website approximately 3 days before the hearing.

In accordance with the Americans with Disabilities Act, if any party requires special accommodations as a result of a disability for this hearing, please contact Margaret Humecki at (303) 894-2100 ext. 5139, prior to the hearing and arrangements will be made.

At hearing, the Commission will consider the Application and enter an order pursuant to its authority under the statute. **Any interested party desiring to protest or intervene should file with the Commission a written protest or intervention in accordance with Rule 509., no later than ~~April 16, 2018~~ May 25, 2018.** Such interested party shall, at the same time, serve a copy of the protest or intervention to the person filing the application. One electronic (cogcc.hearings_unit@state.co.us), one original and two copies shall be filed with the Commission. **Anyone who files a protest or intervention must be able to participate in a prehearing conference during the week of ~~April 16, 2018~~ May 25, 2018, if a prehearing conference is requested by the Applicant, or any person who has filed a protest or**

intervention. Pursuant to Rule 511., if the matter is uncontested, it may be approved without a hearing.

OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF COLORADO

By  _____
Julie Spence Prine, Secretary

Dated: ~~April 27~~ ~~March 23~~, 2018

Colorado Oil and Gas Conservation Commission
1120 Lincoln Street, Suite 801
Denver, Colorado 80203
Website: <http://cogcc.state.co.us>
Phone: (303) 894-2100
Fax: (303) 894-2109

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