

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

IN THE MATTER OF THE APPLICATION OF
CONOCOPHILLIPS COMPANY FOR AN
ORDER TO AUTHORIZE AN ADDITIONAL
TWO HORIZONTAL WELLS, FOR A TOTAL OF
UP TO FOUR HORIZONTAL WELLS IN AN
APPROXIMATE 1,280-ACRE DRILLING AND
SPACING UNIT ESTABLISHED FOR
SECTIONS 32 AND 33, TOWNSHIP 3 SOUTH,
RANGE 64 WEST, 6TH P.M., FOR THE
NIOBRARA FORMATION, UNNAMED FIELD,
ADAMS COUNTY, COLORADO

CAUSE NO. 535

DOCKET NO. 180600 ____

TYPE: ADDITIONAL WELLS

APPLICATION

ConocoPhillips Company (Operator No. 19160) and its wholly owned subsidiary Burlington Resources Oil & Gas LP (Operator No. 26580) (together, "Applicant" or "COPC"), by and through its attorneys, Jost Energy Law, P.C., respectfully submits this Application to the Oil and Gas Conservation Commission of the State of Colorado (the "Commission") for an order to authorize an additional two horizontal wells, for a total of up to four horizontal wells in an approximate 1,280-acre drilling and spacing unit established for the Application Lands described below, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation. In support of its Application, Applicant states and alleges as follows:

1. Applicant is a Delaware corporation duly organized and authorized to conduct business in the State of Colorado.

2. Applicant is an Owner as defined by the Colorado Oil and Gas Conservation Act and/or owns leasehold interests or holds the right to drill and operate on the following lands (hereafter "Application Lands"):

Township 3 South, Range 64 West, 6th P.M.

Section 32: All

Section 33: All

1,280 acres, more or less, Adams County, Colorado.

A reference map of the Application Lands is attached hereto.

3. On September 15, 2014, the Commission entered Order No. 535-531, which, among other things, vacated a well location exception established by Order No. 535-101 for Section 31, Township 3 South, Range 64 West, 6th P.M., established an approximate 1,280-acre exploratory drilling and spacing unit for Sections 31 and 32,

Township 3 South, Range 64 West, 6th P.M., approved up to two horizontal wells within the unit, and provided that the productive interval of the wellbore shall be located no closer than 460 feet from the unit boundaries, and no closer than 960 feet from the productive interval of any other wellbore located in the unit, without exception being granted by the Director, for the production of oil, gas, and associated hydrocarbons from the Niobrara Formation.

4. On March 20, 2017, the Commission entered Order No. 535-769 which, among other things, (1) vacated an approximate 1280-acre exploratory drilling and spacing unit established by Order No. 535-531 for Sections 31 and 32, Township 3 South, Range 64 West, 6th P.M., for the production of oil, gas, and associated hydrocarbons from the Niobrara Formation; (2) vacated an approximate 640-acre drilling and spacing unit established by Order No. 535-702 for Section 36, Township 3 South, Range 65 West, 6th P.M., for the production of oil, gas, and associated hydrocarbons from the Niobrara Formation; and (3) established an approximate 1280-acre drilling and spacing unit for Section 36, Township 3 South, Range 65 West, 6th P.M., and Section 31, Township 3 South, Range 64 West, 6th P.M., and approved one horizontal well in the unit for the production of oil, gas and associated hydrocarbons from of the Niobrara Formation.

5. On December 11, 2017, the Commission entered Order No. 535-900 which, among other things, established an approximate 1,280-acre drilling and spacing unit for Sections 32 and 33, Township 3 South, Range 64 West, 6th P.M., and approved up to two horizontal wells in the unit, for the production of oil, gas and associated hydrocarbons from of the Niobrara Formation in the unit, with the productive interval any horizontal well to be no closer than 460 feet from the boundaries of the unit and no closer than 150 feet from the productive interval of another well within the unit, unless an exception is granted by the Director

6. On December 11, 2017, the Commission entered 535-909 which, among other things, pooled all interests underlying an approximate 1,280-acre drilling and spacing unit established for Sections 32 and 33, Township 3 South, Range 64 West, 6th P.M., for the development and operation of the Niobrara Formation, and to subject any non-consenting interests to the cost recovery provisions of §34-60-116(7), C.R.S., effective as of the earlier of the date of the Application, or the date that any of the costs specified in §34-60-116(7)(b), C.R.S., are first incurred for the drilling of the Wells.

7. The records of the Commission reflect that no horizontal wells are currently producing from the Niobrara Formation in the Application Lands.

8. To promote efficient drainage within the Niobrara Formation of the Application Lands, to protect correlative rights and to avoid waste, the Commission should authorize an additional two horizontal wells, for a total of up to four horizontal wells, in the approximate 1,280-acre drilling and spacing unit established for the Application Lands for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

9. The above proposed additional wells will allow efficient drainage of the Niobrara Formation; 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 wells in the unit.

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

11. Applicant requests that the productive interval of all proposed horizontal wells in the Application Lands shall be no closer than 460 feet from the boundaries of the unit (regardless of the lease lines within the unit) and all horizontal wells shall be no closer than 150 feet from the productive interval of another well producing from the same source of supply within the unit, unless an exception is granted by the Director.

12. The undersigned certifies that copies of this Application will be served on each interested party within seven (7) days of the filing hereof, as required by Rule 503.e.

WHEREFORE, Applicant respectfully requests that this matter be set for hearing on June 11, 2018, that notice be given as required by law, and that upon such hearing this Commission enter its order to:

A. Authorize an additional two horizontal wells, for a total of up to four horizontal wells, in an approximate 1,280-acre drilling and spacing unit established for Sections 32 and 33, Township 3 South, Range 64 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

B. Provide that the productive interval of any horizontal well shall be no closer than 460 feet from the boundaries of the unit and not less than 150 feet from the productive interval of another well within the unit, and authorizing up to two well pads in the unit, or adjacent thereto, unless an exception is granted by the Director.

C. Find that the authorization of up to four horizontal wells in an approximate 1,280-acre drilling and spacing unit for the development of the Niobrara Formation on the Application Lands will prevent waste, protect correlative rights, and maximize the efficient and economic production of the Niobrara Formation in the Application Lands.

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

DATED this 11th day of April, 2018.

Respectfully submitted:

ConocoPhillips Company

By: 

Jamie L. Jost
Kelsey H. Wasylenky
Jost Energy Law, P.C.
Attorneys for Applicant
1401 17th Street, Suite 370
Denver, Colorado 80202
(720) 446-5620

Applicant's Address:
ConocoPhillips Company
Attn: Mark Salvie
600 N. Dairy Ashford Road
Houston, TX 77079-1069

VERIFICATION

STATE OF TEXAS

)

) ss.

COUNTY OF HARRIS

)

Mark Salvie, of lawful age, being first duly sworn upon oath, deposes and says that he is a Senior Landman for ConocoPhillips Company, 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.



Mark Salvie
Senior Landman
ConocoPhillips Company

Subscribed and sworn to before me this 10th day of April, 2018.

Witness my hand and official seal.

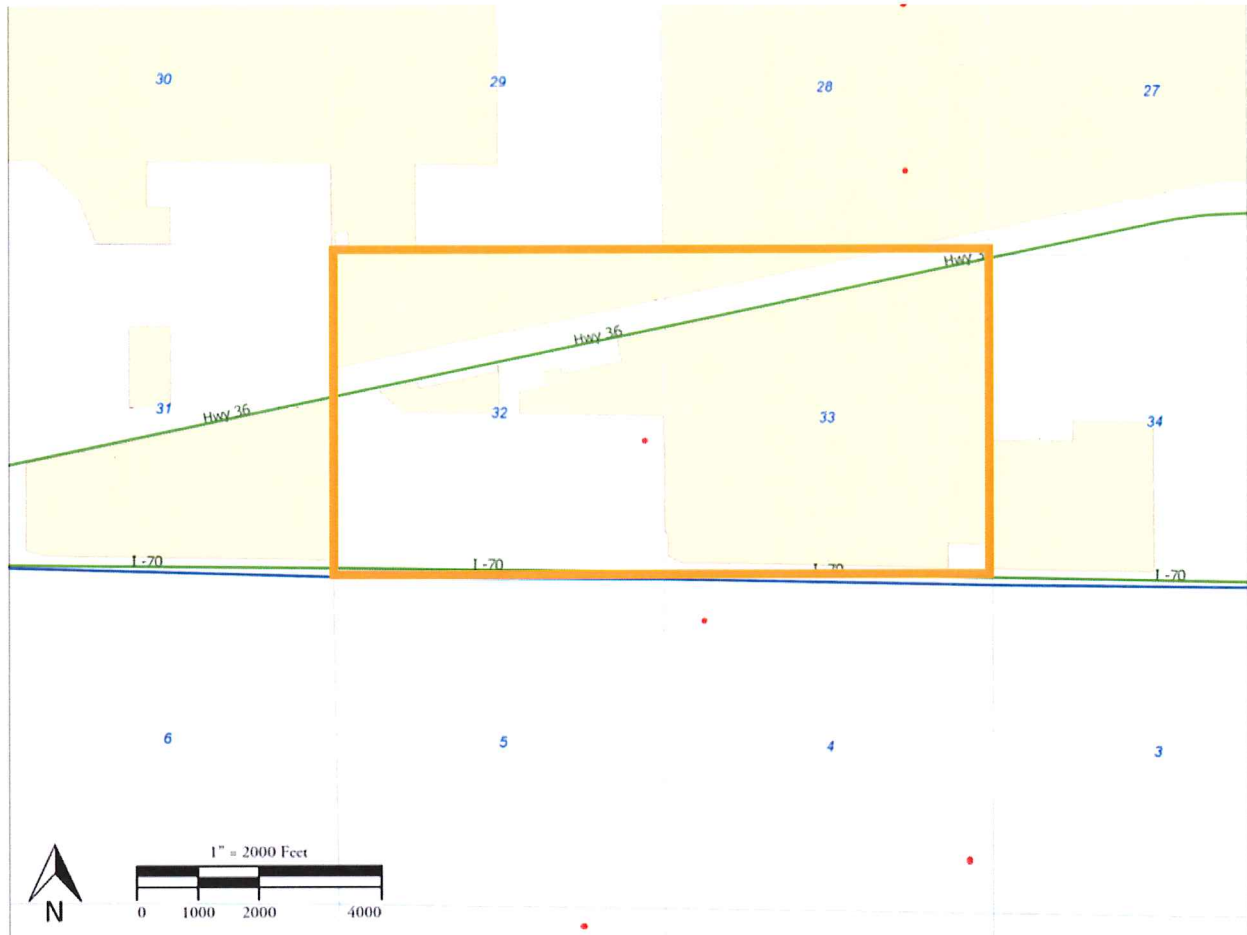
[SEAL]

My commission expires: 1/19/22


Notary Public

Reference Map
ConocoPhillips Company

Sections 32 and 33, Township 3 South, Range 64 West, 6th P.M.



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ADAMS COUNTY, COLORADO

TYPE: ADDITIONAL WELLS

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

Jamie L. Jost
Kelsey H. Wasylenky

CHARLOTTE LAWLESS
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20144023899
MY COMMISSION EXPIRES JUNE 16, 2022

Notary Public

Exhibit A
ID – Fraser 3-64 32-33

United States of America, Bureau of
Land Management
2850 Youngfield Street
Lakewood, CO 80215

Bennett Fire Protection District No. 7
825 Sharis Court
Bennett, CO 80102

Sandra L. Epperson as Personal
Representative of the Estate of Leonard
E. Epperson, Deceased
2 West Northern, Unit 1
Phoenix, AZ 85021

Board of County Commissioners,
Adams County, Colorado
4430 S. Adams County Pkwy, 5th Floor,
Suite C5000A
Brighton, CO 80601

Mitchel E. Rhoads
4755 W 30 N
Angola, IN 46703

Colorado Department of Transportation
4201 East Arkansas Avenue
Denver, CO 80222

ConocoPhillips Company
600 N. Dairy Ashford
Houston, TX 77079

Axis Oil & Gas, LLC
999 18th Street, Suite 3370
Denver, CO 80202

Axis Exploration, LLC
P.O. Box 1168
Denver, CO 80201

Burlington Resources Oil & Gas
Company LP
600 N. Dairy Ashford
Houston, TX 77079

WEP Transport Holdings, LLC
625 East Main St., Suite 1028-303
Aspen, CO 81611

Colorado Maverick Company, LLC
133 W. San Antonio St., Suite 300
San Marcos, TX 78666

Tree Top, LP
133 W. San Antonio St., Suite 300
San Marcos, TX 78666

ECARG Resources, LLC
625 East Main St., Suite 1028-303
Aspen, CO 81611

Western Transport, LLC
625 East Main St., Suite 1028-303
Aspen, CO 81611

Extraction Oil & Gas, Inc.
370 17th St., Suite 5300
Denver, CO 80202

Kent Kuster
Colorado Department of
Public Health & Environment
4300 Cherry Creek Drive South
Denver, CO 80246-1530

Brandon Marette
Energy Liaison
Colorado Parks and Wildlife
Northeast Regional Office
6060 Broadway
Denver, CO 80216

Jennifer Rutter
Adams County
Community & Economic Development
4430 South Adams County Pkwy.
Brighton, CO 80601-8218