

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

IN THE MATTER OF THE PROMULGATION)	CAUSE NO.	
AND ESTABLISHMENT OF FIELD RULES)		
TO GOVERN OPERATIONS FOR THE)	DOCKET NO.	180600406
NIOBRARA AND CODELL FORMATIONS,)		
WATTENBERG FIELD, WELD COUNTY,)	TYPE:	SPACING
COLORADO)		

AMENDED APPLICATION

PDC Energy, Inc. (Operator No. 69175) (“PDC” or “Applicant”), 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 to: establish an approximate 1,280-acre drilling and spacing unit for the Application Lands for the production of oil, gas, and associated hydrocarbons from the Niobrara and Codell Formations, and approve up to eighteen (18) horizontal wells drilled from a maximum of three (3) well pads for the production of oil, gas, and associated hydrocarbons from the Niobrara and Codell Formations on the following described lands:

Township 4 North, Range 67 West, 6th P.M.

Section 33: N½

Section 34: N½

Section 35: N½

Section 36: N½

Weld County, Colorado (containing a total of approximately 1,280 acres)

Referred to herein as the “Application Lands.” A reference map depicting the Application Lands is attached hereto and marked as Exhibit B.

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 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. Rule 318A supersedes all prior Commission drilling and spacing orders affecting well location and density requirements of Greater Wattenberg Area wells. On December 5, 2005, Rule 318A was amended,

among other things, to allow interior infill and boundary wells to be drilled and wellbore spacing units to be established. On August 8, 2011, Rule 318A was again amended, among other things, to address drilling of horizontal wells. The Application Lands are subject to Rule 318A for the Codell and Niobrara Formations.

4. 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.

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

6. The Application Lands currently contain forty-one (41) wells designated as producing, shut in, or temporarily abandoned, according to COGIS records, and a list of these wells is attached as Exhibit C ("Existing Wells"). PDC excludes from this Application all Existing Wells located on the Application Lands as of the date of this Application, to the extent they are still producing, and asserts that the production and payments from the Existing Wells should be maintained under the authority of all applicable Commission rules and orders.

7. The proposed approximate 1,280-acre drilling and spacing unit is not smaller than the maximum area that can be economically and efficiently drained by the proposed wells.

8. PDC requests that the Commission approve the development of up to eighteen (18) horizontal wells in the proposed approximate 1,280-acre drilling and spacing unit for the production of oil, gas, and associated hydrocarbons from the Codell and Niobrara Formations. The proposed wells will be drilled from surface locations described in Rule 318A or on other lands with consent of the landowner, unless an exception is granted by the Director. The wells will be stacked by formation to comply with the minimum distances from the outer boundaries of the proposed drilling and spacing unit and from any other well producing from the Codell and Niobrara Formations.

9. Applicant states that, for any permitted wells to be drilled under this Application, the productive intervals of the wellbores shall be no less than 150 feet from the east and west unit boundaries, and no less than 460 feet from the north and south unit boundaries. Applicant further states that the interwell setbacks shall be no less than 150 feet from the productive interval of any other well producing from the Niobrara and Codell Formations, unless an exception is granted by the Director.

10. **Applicant states that any permitted wells will be drilled in an east-west orientation or a west-east orientation.**

11. The proposed wells shall be drilled from a maximum of three (3) well pads located within the approximate 1,280-acre drilling and spacing unit, or on adjacent lands with consent of the landowner, unless an exception is granted by the Director.

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

13. 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.

14. The names of the interested parties, according to PDC's information and belief, are set forth in the attached Exhibit A, and the undersigned certifies that copies of this Application will be served on each interested party at least thirty-five (35) days in advance of any Commission hearing at which the matter will first be heard, pursuant to Rule 507.

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 to:

- A. Establish an approximate 1,280-acre drilling and spacing unit for the Application Lands and approve up to eighteen (18) horizontal wells in the proposed unit, for production of oil, gas, and associated hydrocarbons from the Niobrara and Codell Formations;
- B. Require the productive interval of the wellbore of any permitted wells in the unit to be located no closer than 150 feet from the east and west unit boundaries, and no closer than 460 feet from the north and south unit boundaries;
- C. Require that the productive interval of the wellbore of any permitted wells in the unit be located no closer than 150 feet from the productive interval of any other wellbore located in the unit; and
- D. Provide that the wells shall be drilled from a maximum of three (3) well pads within the unit subject to Rule 318A or on adjacent lands, unless an exception is granted by the Director.

[SIGNATURE PAGE FOLLOWS]

DATED this **2nd** day of **May**, 2018.

Respectfully submitted,

PDC ENERGY, INC.

By: Courtney M. Shephard
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Courtney M. Shephard, Esq. #47668

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PDC Energy, Inc.
Mr. Daniel R. McCoy
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Denver, CO 80203

Exhibit A

Interested Party List
Spacing Application

Township 4 North, Range 67 West, 6th P.M.

Section 33: N½

Section 34: N½

Section 35: N½

Section 36: N½

PDC Energy, Inc.	Weld County Department of Planning Services
Colorado Parks and Wildlife	Colorado Department of Public Health & Environment
SRC Energy Inc.	Barry L. Snyder
Taku Resources LLC	Mustang Triangle Energy, Inc.
Cimmaron Resources, Inc.	Sonic Oil & Gas, L.P.
Christopher Edwards	

Exhibit B

Reference Map of Application Lands

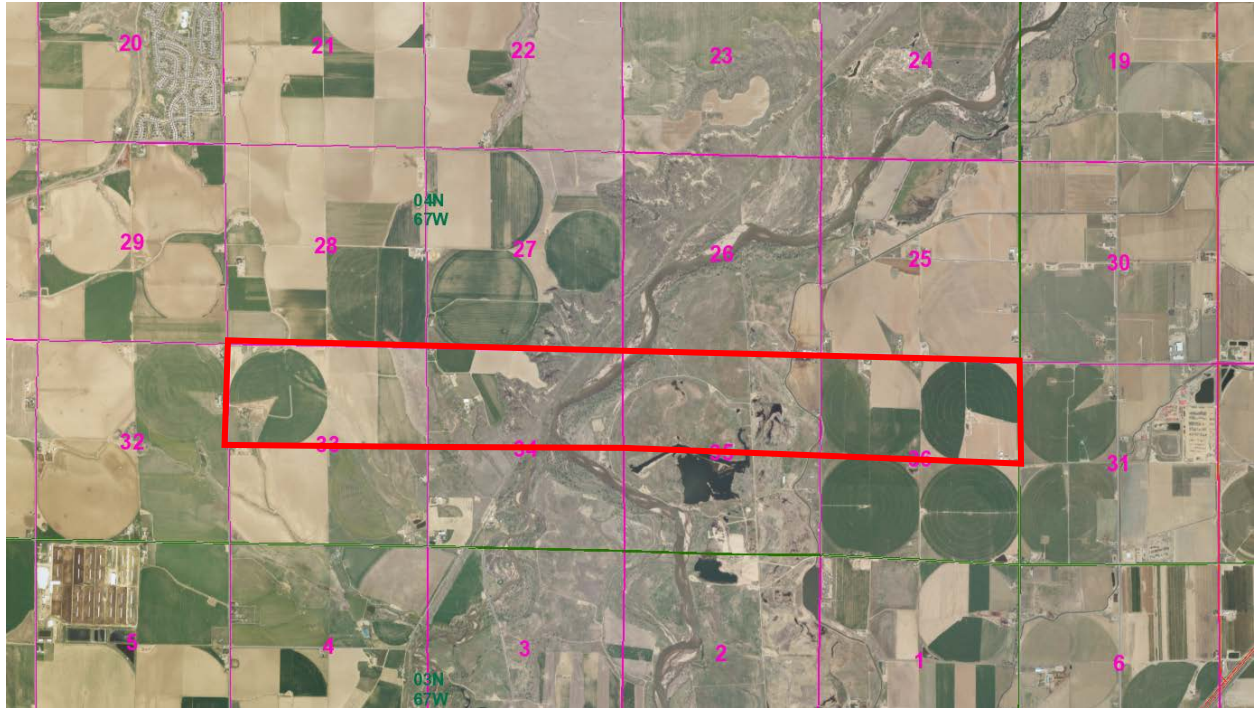


Exhibit C

Existing Wells on Application Lands

<i>API</i>	<i>Well Name</i>	<i>Operator</i>	<i>Status</i>	<i>Well Location</i>	<i>Scout Card Order Information</i>
05-123-29643	KOESTER 18-33-6	K P KAUFFMAN COMPANY INC 46290	PR 8/10/2011	WELD 123 CNW 33 4N 67W 6	232-23; 407- 87
05-123-24142	STROH 33-1	K P KAUFFMAN COMPANY INC 46290	PR 12/12/2006	WELD 123 NENE 33 4N 67W 6	232-23; 407- 1
05-123-29606	KOESTER 3-33-3	K P KAUFFMAN COMPANY INC 46290	PR 9/27/2011	WELD 123 NENW 33 4N 67W 6	232-23; 407- 87
05-123-30275	Koester 3-33-21	K P KAUFFMAN COMPANY INC 46290	PR 7/10/2012	WELD 123 NENW 33 4N 67W 6	232-23; 407- 87
05-123-30329	Koester 3-33-29	K P KAUFFMAN COMPANY INC 46290	PR 11/7/2013	WELD 123 NENW 33 4N 67W 6	232-23; 407- 87
05-123-24146	STROH 33-2	K P KAUFFMAN COMPANY INC 46290	PR 12/12/2006	WELD 123 NWNE 33 4N 67W 6	232-23; 407- 13
05-123-24143	STROH 33-4	K P KAUFFMAN COMPANY INC 46290	PR 1/12/2007	WELD 123 SENE 33 4N 67W 6	232-23; 407- 1
05-123-10865	STROH 1	K P KAUFFMAN COMPANY INC 46290	PR 12/30/1984	WELD 123 SWNE 33 4N 67W 6	None listed
05-123-26390	STROH 7-33	K P KAUFFMAN COMPANY INC 46290	PR 11/27/2007	WELD 123 SWNE 33 4N 67W 6	232-23; 407- 1
05-123-29605	KOESTER 18-33-4	K P KAUFFMAN COMPANY INC 46290	PR 8/10/2011	WELD 123 SWNW 33 4N 67W 6	232-23; 407- 87
05-123-34022	Koester 18-33-22	K P KAUFFMAN COMPANY INC 46290	PR 12/1/2017	WELD 123 SWNW 33 4N 67W 6	232-23; 407- 87
05-123-34025	Koester 18-33-5	K P KAUFFMAN COMPANY INC 46290	PR 7/26/2012	WELD 123 SWNW 33 4N 67W 6	232-23; 407- 87
05-123-29642	KOESTER 18-33	K P KAUFFMAN COMPANY INC 46290	PR 9/12/2011	WELD 123 SWNW 33 4N 67W 6	232-23; 407- 87

05-123-10529	WEISS 1-34	KERR MCGEE OIL & GAS ONSHORE LP 47120	SI 1/1/2018	WELD 123 CNW 34 4N 67W 6	None listed
05-123-10895	WEISS 2-34	NOBLE ENERGY INC 100322	PR 1/21/2010	WELD 123 NENW 34 4N 67W 6	None listed
05-123-18032	WEISS 34-417	NOBLE ENERGY INC 100322	PR 5/30/1994	WELD 123 NWNW 34 4N 67W 6	None listed
05-123-20438	HSR- SHARKEY 8-34	KERR MCGEE OIL & GAS ONSHORE LP 47120	PR 8/1/2017	WELD 123 SENE 34 4N 67W 6	407-87
05-123-27275	PLATTE 5-35	KERR MCGEE OIL & GAS ONSHORE LP 47120	PR 8/1/2017	WELD 123 SENE 34 4N 67W 6	407-87
05-123-24391	PLATTE 24-34	KERR MCGEE OIL & GAS ONSHORE LP 47120	PR 8/1/2017	WELD 123 SENE 34 4N 67W 6	232-23; Rule 318A
05-123-17991	WEISS 34-617	NOBLE ENERGY INC 100322	PR 3/3/2010	WELD 123 SENE 34 4N 67W 6	None listed
05-123-10896	WEISS 3-34	NOBLE ENERGY INC 100322	PR 6/1/2017	WELD 123 SWNW 34 4N 67W 6	None listed
05-123-21832	PTASNIK 1-35	KERR MCGEE OIL & GAS ONSHORE LP 47120	SI 8/1/2016	WELD 123 NENE 35 4N 67W 6	407-87
05-123-16479	HSR- BLAIR 3-35	KERR MCGEE OIL & GAS ONSHORE LP 47120	SI 5/1/2017	WELD 123 NENW 35 4N 67W 6	None listed
05-123-21794	PLATTE 2-35	KERR MCGEE OIL & GAS ONSHORE LP 47120	SI 10/1/2017	WELD 123 NWNE 35 4N 67W 6	407-87
05-123-25499	PLATTE 28-35	KERR MCGEE OIL & GAS ONSHORE LP 47120	SI 10/1/2017	WELD 123 NWNE 35 4N 67W 6	407-87

05-123-25500	PLATTE 27-35	KERR MCGEE OIL & GAS ONSHORE LP 47120	TA 8/1/2017	WELD 123 NWE 35 4N 67W 6	407-87
05-123-18852	HSR- SCOTTDA LE RANCHES 4-35	KERR MCGEE OIL & GAS ONSHORE LP 47120	PR 8/1/2017	WELD 123 NWNW 35 4N 67W 6	None listed
05-123-20418	HSR- SHARKEY 8-35	KERR MCGEE OIL & GAS ONSHORE LP 47120	SI 5/1/2017	WELD 123 SENE 35 4N 67W 6	407-87
05-123-16478	HSR- BARTKO 6-35	KERR MCGEE OIL & GAS ONSHORE LP 47120	SI 5/1/2017	WELD 123 SENE 35 4N 67W 6	None listed
05-123-24196	PLATTE 22-35	KERR MCGEE OIL & GAS ONSHORE LP 47120	SI 5/1/2017	WELD 123 SENE 35 4N 67W 6	Rule 318A
05-123-20416	HSR- SHARKEY 7-35	KERR MCGEE OIL & GAS ONSHORE LP 47120	SI 10/1/2017	WELD 123 SWNE 35 4N 67W 6	407-87
05-123-24265	PLATTE 25-35	KERR MCGEE OIL & GAS ONSHORE LP 47120	SI 10/1/2017	WELD 123 SWNE 35 4N 67W 6	Rule 318
05-123-24552	PLATTE 32-35	KERR MCGEE OIL & GAS ONSHORE LP 47120	PR 11/1/2017	WELD 123 SWNW 35 4N 67W 6	None listed
05-123-16214	HSR- COWAN 5-35	KERR MCGEE OIL & GAS ONSHORE LP 47120	SI 5/1/2017	WELD 123 SWNW 35 4N 67W 6	None listed
05-123-17922	STATE 36-3I7	NOBLE ENERGY INC 100322	SI 3/1/2017	WELD 123 NENW 36 4N 67W 6	None listed
05-123-16760	STATE 36-4E	NOBLE ENERGY INC 100322	SI 3/1/2017	WELD 123 NWNW 36 4N 67W 6	None listed

05-123-23502	CADE STATE 0 36-19	NOBLE ENERGY INC 100322	SI 3/1/2017	WELD 123 NWNW 36 4N 67W 6	407-87
05-123-16752	HSR HANCOCK 8-36	KERR MCGEE OIL & GAS ONSHORE LP 47120	SI 5/1/2017	WELD 123 SENE 36 4N 67W 6	None listed
05-123-22604	CADE STATE O 36-20	NOBLE ENERGY INC 100322	SI 3/1/2017	WELD 123 SENW 36 4N 67W 6	None listed
05-123-21793	MARTIND ALE STATE 7-36	KERR MCGEE OIL & GAS ONSHORE LP 47120	SI 5/1/2017	WELD 123 SWNE 36 4N 67W 6	407-87
05-123-16761	STATE 36-5E	NOBLE ENERGY INC 100322	SI 3/1/2017	WELD 123 SWNW 36 4N 67W 6	None listed