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

IN THE MATTER OF AN APPLICATION BY SRC ENERGY INC. FOR AN ORDER POOLING ALL INTERESTS IN AN APPROXIMATE 1,440-ACRE DRILLING AND SPACING UNIT ESTABLISHED FOR SECTIONS 1 AND 2, TOWNSHIP 5 NORTH, RANGE 67 WEST, 6TH P.M. AND CERTAIN PORTIONS OF SECTION 6, TOWNSHIP 5 NORTH, RANGE 66 WEST, 6TH P.M., FOR THE DEVELOPMENT AND OPERATION OF THE CODELL AND NIOBRARA FORMATIONS, WATTENBERG FIELD, WELD COUNTY, COLORADO

CAUSE NO. 407

DOCKET NO.

TYPE: POOLING

APPLICATION

SRC Energy Inc. (Operator No. 10311) ("SRC" or "Applicant"), by and through its attorneys, Beatty & Wozniak, P.C., respectfully submits this Application to the Oil and Gas Conservation Commission of the State of Colorado ("Commission") for an order pooling all interests in an approximate 1,440-acre drilling and spacing unit established for Sections 1 and 2, Township 5 North, Range 67 West, 6th P.M. and certain portions of Section 6, Township 5 North, Range 66 West, 6th P.M., for the development and operation of the Codell and Niobrara Formations. In support of its 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 Commission.
 - 2. Applicant owns a leasehold interest in the below-listed lands:

Township 5 North, Range 66 West, 6th P.M.

Section 6: W½W½

Township 5 North, Range 67 West, 6th P.M.

Section 1:

All All

Section 2:

1,440 acres, more or less, Weld County, Colorado.

These lands are hereinafter collectively referred to as the "Application Lands" and depicted in Exhibit A attached hereto.

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. 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 again amended to, among other things, address drilling of horizontal wells. The Application Lands are subject to Rule 318A.
- 4. On December 11, 2017, the Commission entered Order No. 407-2277, which, among other things, established an approximate 1,440-acre drilling and spacing unit for the Application Lands, and authorized the drilling of up to 20 horizontal wells for production of oil, gas, and associated hydrocarbons from the Codell and Niobrara Formations.
- 5. Pursuant to Order No. 407-2277, Applicant plans to drill the below-described wells within the Application Lands, for the production of oil, gas, and associated hydrocarbons from the Codell and Niobrara Formations:
- a. Bluff Federal 4N-2A-L Well (API No. 05-123-46532) Niobrara Formation
- b. Bluff Federal 4N-2C-L Well (API No. 05-123-46534) Niobrara Formation
- c. Bluff Federal 4N-2B-L Well (API No. 05-123-46528) Niobrara Formation
- d. Bluff Federal 31C-2-L Well (API No. 05-123-46535) Codell Formation
- e. Bluff Federal 31N-2B-L Well (API No. 05-123-46538) Niobrara Formation
- f. Bluff Federal 5C-2-L Well (API No. 05-123-46529) Codell Formation
- g. Bluff Federal 5N-2C-L Well (API No. 05-123-46537) Niobrara Formation
- h. Bluff Federal 5N-2B-L Well (API No. 05-123-46530) Niobrara Formation
- i. Bluff Federal 32C-2-L Well (API No. 05-123-46533) Codell Formation
- j. Bluff Federal 32N-2C-L Well (API No. 05-123-46536) Niobrara Formation
- k. Greeley-Rothe Federal 32C-2-L Well (API No. 05-123-40240) Codell Formation
- I. Greeley-Rothe Federal 32N-2B-L Well (API No. 05-123-40245) Niobrara Formation
- m. Greeley-Rothe Federal 12N-2C-L Well (API No. 05-123-40242) Niobrara Formation
- n. Greeley-Rothe Federal 12N-2A-L Well (API No. 05-123-40246) Niobrara Formation
- o. Greeley-Rothe Federal 12C-2-L Well (API No. 05-123-40243) Codell Formation
- p. Greeley-Rothe Federal 33N-2C-L Well (API No. 05-123-40291) Niobrara Formation
- g. Greeley-Rothe Federal 33N-2B-L Well (API No. 05-123-40241) Niobrara Formation

- r. Greeley-Rothe Federal 13C-2-L Well (API No. 05-123-40238) Codell Formation
- s. Greeley-Rothe Federal 13N-2B-L Well (API No. 05-123-40239) Niobrara Formation
- t. Greeley-Rothe Federal 13N-2C-L Well (API No. 05-123-40244) Niobrara Formation These wells are collectively referred to hereinafter as the "Subject Wells."
- 6. Acting pursuant to the relevant provisions of §34-60-116(6) & (7), C.R.S., and Rule 530., Applicant seeks an order pooling all interests, including, but not limited to, any nonconsenting interests, in the Application Lands, for the development and operation of the Codell and Niobrara Formations.
- 7. Applicant requests that the Commission's pooling order be made effective as of the earlier of the date of this Application, or the date that the costs specified in §34-60-116(7)(b), C.R.S. are first incurred for the drilling of the Subject Wells within WSU Nos. 1 and 2.
- 8. Further, Applicant requests that the interests of any owners with whom the Applicant has been unable to secure a lease or other agreement to participate in the drilling of the Subject Wells, are made subject 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 the costs specified in §34-60-116(7)(b), C.R.S. are first incurred for the drilling of the Subject Wells.
- 9. 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.
- 10. 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.
- 11. The undersigned certifies that copies of this Application will be served on each interested party as required by Rule 507 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, that notice be given as required by law and that upon such hearing, this Commission enter its order:

- A. Pooling all interests in the Application Lands, for the development and operation of the Codell and Niobrara Formations, effective as of the earlier of the date of this Application, or the date that the costs specified in §34-60-116(7)(b), C.R.S. are first incurred for the drilling of the Subject Wells.
- B. Providing that the interests of any owners with whom the Applicant has been unable to secure a lease or other agreement to participate in the drilling of the Subject Wells, are made subject 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 the costs specified in §34-60-116(7)(b), C.R.S. are first incurred for the drilling of the Subject Wells.

C. For such other findings and orders as the Commission may deem proper or advisable in the premises.

DATED this _____ day of April, 2018

Respectfully submitted,

SRC ENERGY INC.

By:
Jillian Fulcher
James P. Parrot
Jobediah J. Rittenhouse
Beatty & Wozniak, P.C.
Attorneys for Applicant
216 16th Street, Suite 1100
Denver, Colorado 80202
(303) 407-4499
jfulcher@bwenergylaw.com
jparrot@bwenergylaw.com
jrittenhouse@bwenergylaw.com

Address of Applicant SRC Energy Inc. ATTN: Matt Johnson 1625 Broadway, Suite 300 Denver, Colorado 80202

VERIFICATION

STATE OF COLORADO)
) ss. CITY & COUNTY OF DENVER)
Matthew Johnson, Senior Landman for SRC Energy 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.
SRC ENERGY INC
MA COLOR OF THE PROPERTY OF THE PARTY OF THE
Matthew Johnson
Subscribed and sworn to before me this day of, 2018, by Matthew Johnson, Senior Landman for SRC Energy Inc.
Vitness my hand and official seal.
My commission expires: 88000
LYNN M. SHOTWELL Notary Public My Shafuell

LYNN M. SHOTWELL Notary Public State of Colorado Notary ID # 19964010936 My Commission Expires 08-08-2020

Notary Public

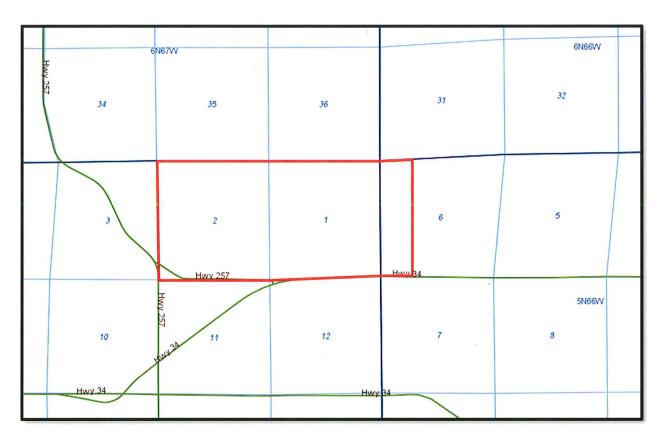
Exhibit A

Reference Map for Pooling Application

Township 5 North, Range 66 West, 6th P.M. Section 6: W½W½

Township 5 North, Range 67 West, 6th P.M. Section 1: All

Section 2: ΑII



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

IN THE MATTER OF AN APPLICATION BY SRC ENERGY INC. FOR AN ORDER POOLING ALL INTERESTS IN AN APPROXIMATE 1,440-ACRE DRILLING AND SPACING UNIT ESTABLISHED FOR SECTIONS 1 AND 2, TOWNSHIP 5 NORTH, RANGE 67 WEST, 6TH P.M. AND CERTAIN PORTIONS OF SECTION 6, TOWNSHIP 5 NORTH, RANGE 66 WEST, 6TH P.M., FOR THE DEVELOPMENT AND OPERATION OF THE CODELL AND NIOBRARA FORMATIONS, WATTENBERG FIELD, WELD COUNTY, COLORADO

CAUSE NO. 407

DOCKET NO.

TYPE: POOLING

<u>AFFIDAVIT OF MAILING</u>

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

Jo Cooks, of lawful age, and being first duly sworn upon her oath, states and declares:

That she is a Legal Assistant at Beatty & Wozniak, P.C., attorneys for SRC Energy Inc., and on or before the 18th day of April, 2018, caused a copy of the attached Application to be deposited in the United States Mail, postage prepaid, addressed to the parties listed on Exhibit A attached hereto.

Jø Cooks

Subscribed and sworn to before me this

day of April, 2018

Witness my hand and official seal.

Notary Public

MARY GRACE T. GO-HOVELAND
Notary Public
State of Colorado
20114013519
My Commission Expires March 3, 2019

EXHIBIT A

INTERESTED PARTIES

The names and addresses of the interested parties (persons who own any interest in the mineral estate of the tracts to be pooled, except owners of overriding royalty interest) according to the information and belief of the Applicant are set forth in this Exhibit A.

ALFRED P. DAVIS AND MARILYN M. DAVIS (HEIR HANS GARTNER) 2423 LAKE DR, LOVELAND, CO 80538

ANADARKO E&P ONSHORE LLC 1099 18TH ST., SUITE 1800 DENVER, CO 80202

BOKF, NA., AS AGENT FOR U.S. BANK, N.A. TRUSTEE OF THE T.E. MCCLINTOCK T/U/W F/B/O MARY M. SWIFT C/O BANK OF OKLAHOMA NA, AGENT PO BOX 1588 TULSA, OK 74101

CHARLES RAY JONES III AND ANNA KAY JONES 10110 HIGHWAY 257 SPUR GREELEY, CO 80634

CONNIE W. HATTON 28990 HWY. 257 GREELEY, CO 80634

DAVID SCHLOTHAUER 8038 STEWART AVENUE LOS ANGELES, CA 90045

DEPARTMENT OF TRANSPORTATION OF THE STATE OF COLORADO 4201 E ARKANSAS AVE #212, P 03-060-00 DENVER, CO 80222

ESTATE OF DWIGHT P. PALSER 2118 22ND ST ROAD GREELEY, CO 80631

ESTATE OF VERNON D. ANDERSON 24621 MENDOCINO COURT LAGUNA HILLS, CA 92653

GEORGE E. LAMB 33 LEDDY DR EPPING, NH 03042-3308

GREELEY-ROTHE, LLC 4100 E MISSISSIPPI AVE, #500 GLENDALE, CO 80631 INCLINE MINERALS, LLC 5019 N CENTRAL EXPWY, STE. B DALLAS, TX 75205

JACK AND SHARYN GARTNER (HEIR HANS GARTNER) 2185 RIDGE ROAD ESTES PARK, CO 80517

JOHN HEINEMANN 1900 D STREET BELLINGHAM, WA 98225

LAMB LIVING TRUST DATED APRIL 2 2003 CHARLES S & RITA M LAMB 1826 E. MULBERRY AVE LAS CRUCES, NM 88001

LYNN A. HAMMOND (HEIR HANS GARTNER) NORMA G HAMMOND, JT 1255 WEST 6TH STREET LOVELAND, CO 80537

MARY L. OHLMANN 11667 US HIGHWAY 34 GREELEY, CO 80634

MICHAEL O. CULLUP AND ROSANNE C. CULLUP (JTWROS) 9937 10TH STREET GREELEY, CO 80634

PAWNEE BUTTE ROYALTIES LLC PO BOX 4361 ENGLEWOOD, CO 80155

REARDEN MINERALS, LLC 5914 W. COURTYARD DR. STE 100 AUSTIN, TX 78730

RICK D. HERTZKE 427 PELICAN COVE WINDSOR, CO 80550

RONNIE E. HOGAN (HEIR HANS GARTNER) SHIRLEY A HOGAN, JT 3120 BENT DRIVE LOVELAND, CO 80538 STRATEGIC ENERGY INCOME FUND III LP 2350 N FOREST RD GETZVILLE, NY 14068-1296

SUCCESSORS OF GEORGE A. CARLSON, JR. 912 B WOODSIDE CIR KISSIMMEE, FL 32741

SUSAN M. DATZ 1726 KENNEDY AVE LOVELAND, CO 80538-3463

THE LAMB FAMILY REVOCABLE TRUST OF 2014 DATED JULY 9, 2013 33 LEDDY DR EPPING, NH 03042-3308

UNION PACIFIC RESOURCES COMPANY PO BOX 843169 DALLAS, TX 75284-3169

WELD COUNTY P.O. BOX 758 1150 O STREET GREELEY, CO 80632

WILLIAM F. RUDOLPH AND BETTY J. RUDOPLH 1800 CARRIAGE LANE FT. COLLINS, CO 80525

ALARADO, LLC PO BOX 3190 CENTENNIAL, CO 80161-3190

INCLINE NIOBRARA PARTNERS, LP 5019 N CENTRAL EXPRESSWAY, SUITE B DALLAS, TX 75205

WOLFHAWK ENERGY HOLDINGS, LLC 999 18TH STREET, SUITE 1650S DENVER, CO 80202

DOROTHY A. ABBOTT 639 46TH AVENUE CT GREELEY, CO 80634

EVA KRISTINA EHRENFEUCHT REVOCABLE TRUST 438 W GRIFFITH ST LOUISVILLE, CO 80027-1658

ANADARKO E&P COMPANY LP 1099 18TH ST., SUITE 1800 DENVER, CO 80202

BARBARA WEBER 805 BROSS STREET, LONGMONT, CO 80501 CAROLINE R. CHILSON (HEIR HANS GARTNER) 6610 CHOKECHERRY DR. LOVELAND, CO 80538

CHARLES S. LAMB AND RITA M. LAMB, TRUSTEES, OR THEIR SUCCESSORS IN TRUST UNDER THE LAMB LIVING TRUST DATED APRIL 2, 2003, AND ANY AMENDMENTS THERETO 1826 È. MULBERRY AVE, LAS CRUCES, NM 88001

DANIEL J. RUDOLPH AND MICHELLE RUDOLPH 301 RIDGEWOOD CT FT. COLLINS, CO 80524-8816

DEBORAH J. MITCHELL PO BOX 370748 DENVER, CO 80237

ERICA HEINEMANN 10025 SAN GUILLERMO LANE ATASCADERO, CA 93422

ESTATE OF LUCILLE A. SANDBERG 1802 12TH ST GREELEY, CO 80631

GEIST MINERAL TRUST P.O. BOX 7461 925 RED FIR PLACE LOVELAND, CO 80538

GIEST MINERAL TRUST P.O. BOX 7461 925 RED FIR PLACE LOVELAND, CO 80538

HERTZKE HOLSTEINS, LTD 427 PELICAN COVE WINDSOR, CO 80550

INCLINE NIOBRARA PARTNERS, LP 5019 N CENTRAL EXPWY, STE. B DALLAS, TX 75205

JAMES L. RUDOLPH PO BOX 367 MOSS BEACH, CA 94038

KENT AND CAROLINE B. RICKENBAUGH GRANDCHILDREN'S TRUST COLORADO STATE BANK AND TRUST, TRUSTEE 1600 BROADWAY DENVER, CO 80202 LORI P. JONES 3406 LUPTON AVE. EVANS, CO 80620

MARY KAY MINION 14626 SUNRISE CANYON ROAD POWAY, CA 92064-4940

MCCLINTOCK & NIKOLORIC LLC PO BOX 1588 TULSA, OK 74101-1588

ORR RESOURCES, LLC C/O ED ORR 1813 61ST AVENUE, SUITE 200 GREELEY, CO 80634

PEGGY SALZMAN 221 WEST 57TH ST #B8 LOVELAND, CO 80538

REGAL PETROLEUM, L.L.C. PO BOX 3126 HOUSTON, TX 77253

ROBERT JESSEN 2201 23RD AVENUE LONGMONT, CO 80501

SHUR VIEW LIMITED PARTNERSHIP PO BOX 62623 COLORADO SPRINGS, CO 80962-2623

STRATEGIC ENERGY INCOME FUND IV LP 2350 N FOREST RD GETZVILLW, NY 14068-1296

SUSAN B. SHERIDAN 1955 MOORINGLINE DRIVE VERO BEACH, FL 32963

TERRY A. DATZ 77 S ADAMS ST APT 305 DENVER, CO 80209

THOMAS SCHLOTHAUER 21102 VIRTUOSO IRVINE, CA 92620-2198

UNITED STATES OF AMERICA 2850 YOUNGFIELD ST LAKEWOOD, CO 80215

WILLIAM F. RUDOLPH (NOW DECEASED) AND BETTY J. RUDOLPH (NOW DECEASED) 1800 CARRIAGE LANE FT. COLLINS, CO 80525 ACOMA ENERGY, LLC 4100 E. MISSISSIPPI AVE, SUITE 400 DENVER, CO 80246 EXTRACTION OIL & GAS, LLC 370 17TH ST., SUITE 5300 DENVER, CO 80202

KERR-MCGEE OIL & GAS ONSHORE LP 1099 18TH ST., SUITE 1800 DENVER, CO 80202

CHRISTOPHER HEINEMANN CONCERNING ESTATE OF LOUISE SCHLOTHAUER 5357 AGANA DRIVE SANTA BARBARA, CA 93111

ECLIPSE ENERGY, L.L.C. 300 BOARDWALK DR., UNIT 6A FORT COLLINS, CO 80525

WELLS FARGO BANK, NATIONAL ASSOCIATION, AS TRUSTEE FOR MERRILL LYNCH MORTGAGE INVESTORS TRUST MORTGAGE LOAN ASSET-BACKED CERTIFICATES, SERIES 2004-OPT1 65001 IRVINE CENTER DRIVE, IRVINE, CA 92618