

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

IN THE MATTER OF THE APPLICATION OF
HIGHPOINT OPERATING CORPORATION FOR
AN ORDER TO POOL ALL INTERESTS IN A
DESIGNATED HORIZONTAL WELLBORE
SPACING UNIT ESTABLISHED FOR
PORTIONS OF SECTIONS 33 AND 34,
TOWNSHIP 4 NORTH, RANGE 62 WEST, 6TH
P.M., AND SECTIONS 3 AND 4, TOWNSHIP 3
NORTH, RANGE 62 WEST, 6TH P.M., FOR THE
PRODUCTION OF OIL, GAS AND
ASSOCIATED HYDROCARBONS FROM THE
NIOBRARA FORMATION, WATTENBERG
FIELD, WELD COUNTY, COLORADO

CAUSE NO. 407

DOCKET NO. 180600 ____

TYPE: POOLING

APPLICATION

COMES NOW HighPoint Operating Corporation (Operator No. 10071) ("Applicant"), by its attorneys, Jost Energy Law, P.C., and makes this application to the Oil and Gas Conservation Commission of the State of Colorado ("Commission") for an order to pool all interests within a designated horizontal Wellbore Spacing Unit, as defined below, for the production and operation of the Anschutz Equus Farms 4-62-33-6457CSB (API No. 05-123-45306) for the development and operation of the Niobrara Formation on the following lands (hereinafter collectively, the "Application Lands"):

Wellbore Spacing Unit:

Anschutz Equus Farms 4-62-33-6457CSB (API No. 05-123-45306)

Township 4 North, Range 62 West

Section 33: S $\frac{1}{2}$ S $\frac{1}{2}$

Section 34: S $\frac{1}{2}$ S $\frac{1}{2}$

Township 3 North, Range 62 West

Section 3: N $\frac{1}{2}$ N $\frac{1}{2}$

Section 4: N $\frac{1}{2}$ N $\frac{1}{2}$

640-acres, more or less, Weld County, Colorado.

In support thereof, Applicant states and alleges as follows:

1. Applicant is a corporation 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 in the Application Lands, as defined by the Oil and Gas Conservation Act, and owns certain leasehold interests in the Application Lands and/or holds the right to operate certain leasehold interests in 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. 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 Formation.

4. On March 17, 2014, the Commission entered Order No. 407-948 which, among other things, established two approximate 1,280-acre drilling and spacing units for the Sections 33 and 34, Township 4 South, Range 62 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Niobrara and Codell Formations, respectively, and approved a total of sixteen horizontal wells within the unit established for the Niobrara Formation, and approved a total of four horizontal wells within the unit established for the Codell Formation, with the productive interval of the permitted wellbores to be located no closer than 460 feet from the boundaries of the units and no closer than 150 feet from the productive interval of any other wellbore located in the respective units, unless an exception is granted by the Director. Order No. 407-948 applies to portions of the Application Lands but does not affect this wellbore-specific Application.

5. On June 6, 2016, the Commission entered Order No. 407-1703 which, among other things, 1) established an approximate 1280-acre drilling and spacing unit for Sections 4 and 5, Township 3 North, Range 62 West, 6th P.M., and approved up to 16 horizontal wells within the unit, for the production of oil, gas, and associated hydrocarbons from the Niobrara Formation; and 2) established an approximate 1280-acre drilling and spacing unit for Sections 4 and 5, Township 3 North, Range 62 West, 6th P.M., and approve up to four horizontal wells within the unit, for the production of oil, gas, and associated hydrocarbons from the Codell Formation. Order No. 407-1703 applies to portions of the Application Lands but does not affect this wellbore-specific Application.

6. On January 30, 2017, the Commission entered Order No. 407-1868 which, among other things, pooled all interests in two approximate 1280-acre drilling and spacing units established for Sections 33 and 34, Township 4 North, Range 62 West, 6th P.M., and subjected all nonconsenting interests to the cost recovery provisions of §34-60-116(7), C.R.S., for the drilling of the Anschutz Equus Farms 4-62-33-0108CH2 Well (API No. 05-123-39734), for the development and operation of the Niobrara Formation. Order No. 407-1868 applies to portions of the Application Lands but does not affect this wellbore-specific Application.

7. On May 1, 2017, the Commission entered Order No. 407-1983 which, among other things, established an approximate 1,280-acre drilling and spacing unit for Sections 3 and 10, Township 3 North, Range 62 West, 6th P.M., and approved up to 16 horizontal wells in the unit, for the production of oil, gas and associated hydrocarbons from the Codell and Niobrara Formations. Order No. 407-1983 applies to portions of the Application Lands but does not affect this wellbore-specific Application.

8. Applicant designated the Wellbore Spacing Unit comprising the Application Lands for the production of oil, gas and associated hydrocarbons from the Niobrara Formation pursuant to Rule 318A and notified the appropriate parties under Rule 318A.

9. Applicant, pursuant to Commission Rule 530 and/or the provisions of C.R.S. § 34-60-116 (6) and (7), hereby requests an order to pool all interests, including but not limited to, any non-consenting interests and any party failing to fulfill its election, in the Application Lands in the Niobrara Formation underlying the Wellbore Spacing Unit for the drilling of the Anschutz Equus Farms 4-62-33-6457CSB (API No. 05-123-45306).

10. 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 C.R.S. § 34-60-116(7)(b) are first incurred for the drilling of the Anschutz Equus Farms 4-62-33-6457CSB (API No. 05-123-45306) to the Niobrara Formation on the Application Lands.

11. Applicant certifies that copies of this Application will be served on all persons owning a recorded and known interest in the mineral estate of the tracts to be pooled within seven days of the date hereof, as required by Rule 503.e., and that at least 35 days prior to the hearing on this matter, each such recorded and known interest owner not already leased or voluntarily pooled will be offered the opportunity to lease and/or participate and will be provided with the information required by Rule 530 as applicable.

12. In order to prevent waste and to protect correlative rights, all interests in the Wellbore Spacing Unit should be pooled for the orderly development and operation of the Niobrara Formation, including any non-consenting interests therein.

WHEREFORE, Applicant 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, the Commission enter its order:

A. Pooling all interests, including but not limited to any non-consenting interests and any party failing to fulfill its election, in the following Wellbore Spacing Unit established for the development and operation of the Niobrara Formation:

Township 4 North, Range 62 West
Section 33: S½S½
Section 34: S½S½

Township 3 North, Range 62 West

Section 3: N $\frac{1}{2}$ N $\frac{1}{2}$

Section 4: N $\frac{1}{2}$ N $\frac{1}{2}$

640-acres, more or less, Weld County, Colorado.

B. Providing that the Commission's pooling order is made effective as of the earlier of the date of this Application, or the date that any of the costs specified in C.R.S. § 34-60-116(7)(b) are first incurred for the drilling of the Anschutz Equus Farms 4-62-33-6457CSB (API No. 05-123-45306) for the production of oil, gas and associated hydrocarbons from the Niobrara Formation on the Application Lands.

C. Providing that any party who fails to make a timely election to lease or to participate is pooled by operation of statute, pursuant to C.R.S. § 34-60-116(6) and (7), and made subject to the cost recovery provisions thereof with respect to the Well drilled to develop the Niobrara Formation in the Wellbore Spacing Unit comprising the Application Lands.

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

DATED April 12th, 2018.

Respectfully submitted:

HIGHPOINT OPERATING CORPORATION

By:



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

Applicant's Address:

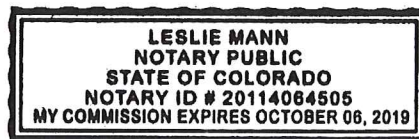
HighPoint Operating Corporation
ATTN: Gabriel Findlay
1099 18th Street, Suite 2300
Denver, CO 80202

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


Gabriel Findlay
Land Manager – Operations
HighPoint Operating Corporation

Subscribed and sworn to before me this 11th day of April, 2018.

[SEAL]



My commission expires: 10/6/2019

Jessie Mann
Notary Public

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DOCKET NO. 180600417

TYPE: POOLING

AFFIDAVIT OF MAILING

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

The undersigned, of lawful age, and being first duly sworn upon my oath, state and declare that I am the attorney for HighPoint Operating Corporation, and that on or before the 18th day of April, I caused a copy of the Application to be deposited in the United States Mail, postage prepaid, addressed to the parties listed on Exhibit A to this Affidavit.



Jamie L. Jost
Kelsey H. Wasylenky

Subscribed and sworn to before me this 16th day of April, 2018.

Witness my hand and official seal.



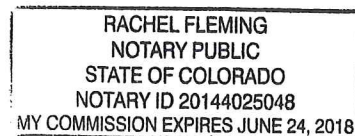
Notary Public

EXHIBIT A
HighPoint – FP 4N-62W 33-6457CSB WSU

HighPoint Operating Corporation
1099 18th Street; Suite 2300
Denver, CO 80202

Bonanza Creek Energy Operating
Company LLC
410 17th Street, Suite 1400
Denver, CO 80202

Anschutz Exploration Corporation
555 17th Street, Suite 2400
Denver, CO 80202

Kaiser-Francis Oil Company
P. O. Box 21468
Tulsa, OK 74121-1468

Okreek Oil & Gas, LLC
475 17th Street, Suite 1350
Denver, CO 80202

Kerr-McGee Oil & Gas Onshore LP
1099 18th Street, Suite 1800
Denver, CO 80202

Anadarko E&P Onshore, LLP
5950 Cedar Springs Rd., Suite 200
Dallas, TX 75235

Verdad Resources LLC
5950 Cedar Springs Rd., Suite 200
Dallas, TX 75235

Hilcorp Energy I, L.P.
P.O. Box 61229
Houston, TX 77208

Heirs/Devisees of Joe E. Tracey
695 Dahlia Street
Denver, CO 80220

Heirs/Devisees of Bessie Leah Tracey
695 Dahlia Street
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Hilcorp Energy I, L.P.
P.O. Box 61229
Houston, TX 77208

Anschutz Family Investment Company
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Denver, CO 80202

The Community Foundation Serving
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2425 35th Ave.
Greeley, CO 80634

Christina L. Hay
508 Casa Del Rancho Road
Lorena, TX 76655

Christina L. Hay
3208 Eldon Lane
Waco , TX 76710

Deacon Consulting Company
213-A West Hudgins Street
Grapevine , TX 76051

Ben H. Parker, Jr.
P. O. Box 1216
Golden, CO 80402

Guy R. Brainard, Jr. Trust dated
September 9, 1982, Bank of Oklahoma,
N.A. as Sole Sucessor Trustee
Bank of Oklahoma, N.A., Agent
P. O. Box 1588
Tulsa, OK 74101

John Shepard Brainard
Bank of Oklahoma, N.A., Agent
P. O. Box 1588
Tulsa, OK 74101

George Reed Brainard
Bank of Oklahoma, N.A., Agent
P. O. Box 1588
Tulsa, OK 74101

KLTSCH Trust, express trust by
Declaration dated June 1, 1994, Kirk C.
Forcade, a/k/a Kirk C. Forcade, Sr., K.C.
Forcade, K.C. Forcade, Sr. and Terry S.
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c/o Flora Galbraith
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937 Forest St.
Denver, CO 80220

Marjorie Chase
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Poway , CA 92064

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Fort Collins , CO 80521

Claudia W. Bullard
196 Fairway Ridge
Beeville, TX 78102

Carlye W. DePietro
613 S. Street
Easton , MD 21601

Robert Snyder
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Basalt, CO 81621

Frank Snyder
c/o Robert Snyder
318 Sopris Circle
Basalt, CO 81621

William Snyder
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Fort Lupton, CO 80621

Patricia Lamb
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Lakewood, CO 80215

Colorado State Land Board
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Denver, CO 80203