

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

IN THE MATTER OF THE AMENDED)	CAUSE NO. 535
APPLICATION OF EDGE ENERGY II, LLC)	
FOR AN ORDER VACATING ORDER NO. 535-)	DOCKET NO. 180600452
147 ONLY AS IT PERTAINS TO THE)	
APPLICATION LANDS, VACATING ORDER)	TYPE: SPACING
NO. 535-834 , AND ESTABLISHING TWO)	
THREE APPROXIMATE 1,280-ACRE)	
DRILLING AND SPACING UNITS WITH WELL)	
LOCATION RULES APPLICABLE TO THE)	
DRILLING AND PRODUCING OF WELLS)	
FROM THE NIOBRARA, FORT HAYS,)	
CODELL AND CARLILE FORMATIONS FOR)	
CERTAIN LANDS IN TOWNSHIP 8 NORTH,)	
RANGE 65 WEST, 6TH P.M., UNNAMED)	
FIELD, WELD COUNTY, COLORADO.)	

AMENDED APPLICATION

Edge Energy II, LLC, Operator No. 10671 (“Applicant” or “Edge”), by and through its attorneys, Welborn Sullivan Meck & Tooley, P.C., respectfully submits this **Amended** Application to the Oil and Gas Conservation Commission of the State of Colorado (“Commission”) for an order vacating an approximate 640-acre drilling and spacing unit established by Order No. 535-147 for Section 28, Township 8 North, Range 65 West, 6th P.M., ~~vacating Order No. 535-834~~, and establishing **two three** approximate 1,280-acre drilling and spacing units with well location rules applicable to the drilling of wells and producing of oil, gas, and associated hydrocarbons from the Niobrara, Fort Hays, Codell and Carlile Formations covering certain lands in Township 8 North, Range 65 West, 6th P.M., Weld County, Colorado. In support of its **Amended** Application, Applicant states 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 owns leasehold interests in the following lands (“Application Lands”) and is an Owner as defined by Commission Rules and the Conservation Act with standing to bring this **Amended** Application:

Drilling and Spacing Unit (“DSU”) No. 1

Township 8 North, Range 65 West, 6th P.M.
Section 29: All

~~Section 30: All~~

DSU No. 2

Township 8 North, Range 65 West, 6th P.M.

Section 27: All

Section 28: All

DSU No. 3

Township 8 North, Range 65 West, 6th P.M.

Section 33: All

Section 34: All

A reference map of the Application Lands is attached hereto.

3. Rule 318.a. provides that a well drilled in excess of 2,500 feet in depth shall be located not less than 600 feet from any lease line, and shall be located not less than 1,200 feet from any other producible or drilling oil or gas well when drilling to the same source of supply, unless authorized by order of the Commission upon hearing.

4. On March 5, 2012, the Commission entered Order No. 535-147 which established eight approximate 640-acre drilling and spacing units for certain lands located in Townships 8 and 9 North, Ranges 59 through 67 West, 6th P.M., and allowed one horizontal well within each unit, for the production of gas and associated hydrocarbons from the Niobrara Formation. Section 28 of the Application Lands is subject to this order for the Niobrara Formation.

~~5. On July 24, 2017, the Commission entered Order No. 535-834 which established an approximate 1,301.24-acre drilling and spacing unit for the Section 25, Township 8 North, Range 66 West, 6th P.M., and Section 30, Township 8 North, Range 65 West, 6th P.M., and approved a total of up to twelve horizontal wells within the unit, for the production of oil, gas and associated hydrocarbons from the Niobrara, Fort Hays, Codell, and Carlile Formations. Section 30 of the Application Lands is subject to this order.~~

5. No Horizontal wells have been drilled or permitted pursuant to Order No. **535-147** ~~535-834~~.

6. To promote efficient drainage of the Niobrara, Fort Hays, Codell and Carlile Formations of the Application Lands, to protect correlative rights, and to avoid waste, the Commission should:

- (a) Vacate an approximate 640-acre drilling and spacing unit established by Order No. 535-147 for Section 28 of the Application Lands;

~~(b) Vacate Order No. 535-834;~~

~~(c)~~ **(b)** Establish **two** ~~three~~ approximate 1,280-acre drilling and spacing units for the Application Lands and approve a total of up to twelve (12) horizontal wells within each unit.

7. Applicant requests that the productive interval of the permitted horizontal wells within each unit be located no closer than 150 feet from the productive interval of any other horizontal wellbore within the same unit producing oil, gas, and associated hydrocarbons from the Niobrara, Fort Hays, Codell and Carlile Formations and no closer than **300** ~~600~~ feet from such unit boundary, without exception being granted by the Director.

8. Applicant requests the establishment of the above-proposed drilling and spacing units and authority to drill only those wells necessary to determine the well density that will allow for efficient drainage of the Niobrara, Fort Hays, Codell and Carlile Formations, will prevent waste, will not adversely affect correlative rights and will assure the greatest ultimate recovery of oil, gas and associated hydrocarbons from the Application Lands. Applicant maintains that the proposed drilling and spacing units are not smaller than the maximum area that can be economically and efficiently drained by the requested number of wells in such drilling and spacing unit. Applicant further maintains that wells drilled in the above-proposed drilling and spacing units will have no adverse effect on correlative rights of adjacent owners.

9. The Applicant states the proposed horizontal wells will be drilled from no more than four locations within each unit or at a legal location(s) on adjacent lands, without exception being granted by the Director.

10. The names and addresses of the interested parties according to the information and belief of the Applicant are set forth in Exhibit A attached hereto and made a part hereof, and the undersigned certifies that copies of ~~the this~~ Application ~~shall be~~ **were** served on each interested party within seven days as required by Rule 503.e and 507.b.(1). **Applicant further certifies that all interested parties will be mailed notice of this Amended Application at least 35 days ahead of the hearing.**

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 consistent with Applicant's proposals as set forth above.

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Dated this ___ day of **August**, 2018.

Respectfully submitted,

WELBORN SULLIVAN MECK & TOOLEY, P.C.

By: _____

Joseph C. Pierzchala
Geoffrey W. Storm
Welborn Sullivan Meck & Tooley, P.C.
Attorneys for Applicant
1125 - 17th Street, Suite 2200
Denver, CO 80202
303-830-2500

Applicant's Address:

1301 Washington Ave., Ste. 300
Golden, CO 80401
Attn: Erik Larsen;
Phone: 303.547.0792

VERIFICATION

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

Erik Larsen with Edge Energy II, LLC, upon oath deposes and says that he has read the foregoing Amended Application and that the statements contained therein are true to the best of his knowledge, information and belief.

EDGE ENERGY II, LLC

Erik Larsen

Subscribed and sworn to before me this _____ day of August, 2018, by Erik Larsen for Edge Energy II, LLC.

Witness my hand and official seal.

Notary Public

My Commission Expires:_____

EXHIBIT A

INTERESTED PARTIES

Weld County Department of Planning Services

Jason Maxey
1555 North 17th Avenue
Greeley CO 80631

Colorado Department of Public Health and Environment

Attn: Oil and Gas Liason
4300 Cherry Creek Drive South
Denver, CO 80246-1500

Colorado Parks and Wildlife

Brandon Marette
Northeast Region Office
6060 Broadway
Denver, CO 80216

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EXHIBIT A

INTERESTED PARTIES

8 North LLC
Acme Oil Corp., LLC
Alice E. Cheney
Alice L. Brewster
Anadarko E&P Onshore LLC
Anadarko Land Corp.
Arthur De Jager
Barbara J. Henry, a single woman
"Bayswater Resources LLC
Bayswater Fund III-A, LLC"
Bonnie Beets, a single woman
Booth Land & Livestock Company
Brandon T Howard
Brett Legler
Charles R Killion and Martha A Killion, Joint tenants
Church of Jesus Christ of Latter-Day Saints
City of Thornton
City of Thorton
Clint J. Scheller and Stacy Scheller, Mark D. Scheller and Kris L. Scheller, JT
Connors Oil and Gas LLC
Constance Lockhart
David H Amos and Cynthia Amos, JT
David Peterson and Michelle Peterson, JT
David Wyatt Perciwall, married man dealing in his separate property
Delana Lynn Legler
Delbert Henry, a single man
Dennis E. Schwartz
Dianne Simpson and Jerry I. Simpson, wife and husband
DJ Resources, LLC
Dorothy Hamilton Revocable Trust, under agreement dated June 11, 1993
Double J Bison Feeders, LLC
Duane A. Schwartz
Enerplus Resources (USA) Corporation
Estate of Amelia Lauck Carey
Estate of Edward G. Lauck
Estate of Esther Lauck Didion
Estate of Harry Lauck
Estate of John Lauck, Jr
Extraction Oil & Gas, Inc.
Extraction Oil & Gas, LLC
Extraction Oil and Gas, LLC

I.R. Booth & Son, Inc
John Ryan, Public Guardian of the Estate of Richard Lauck, a protected person
Kenna Sue King
Kerr-McGee Oil and Gas Onshore, LP, Delaware limited partnership
Kerr-McGee Oil and Gas Onshore,LP
Kristi L. Worthman
Leslie H. Brumley and Naomi R. Brumley, JT
Malcolm C. Simmons
Mallard Exploration, LLC
Manuel G Salas
Michael Karl Legler
Mid-Continent Energy LLC
Monte D Strotheide and Diana L Strotheide, husband and wife as Joint Tenants
Purcell Conservation Group, LLC
Robert G Swanson and Maria P Swanson, husband and wife
Ronald A. Erbes and Trina L. Erbes, JT
Shawn Merritt Legler
Stacy E. Williams
Synergy Resources Corporation
Terry N. Williams
Tracy Gahan, single woman
Violet M Grebb, widow and Jerry W Grebb, Personal Representative for the Estate of Donald
L Grebb, deceased
Weld County, Colorado, C/O Board of County Commissioners
William Edward Spalding