

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

IN THE MATTER OF THE APPLICATION OF 8 NORTH,)	
LLC, FOR AN ORDER TO ESTABLISH AN)	CAUSE NO. 535
APPROXIMATE 1,280-ACRE DRILLING AND SPACING)	
UNIT FOR SECTIONS 7 & 18, TOWNSHIP 9 NORTH,)	DOCKET NO. To be determined
RANGE 60 WEST, 6 TH P.M., AND AUTHORIZE THE)	
DRILLING OF TWELVE HORIZONTAL WELLS)	TYPE: Spacing
WITHIN THE PROPOSED UNIT, FOR PRODUCTION)	
FROM THE CODELL, FORT HAYS, CARLILE, AND)	
NIORRARA FORMATIONS, UNNAMED FIELD, WELD)	
COUNTY, COLORADO)	

APPLICATION

8 North, LLC (“8 North” or “Applicant”), Operator #10575, by and through its attorneys, Poulson, Odell & Peterson, LLC, respectfully submits this Application to the Oil and Gas Conservation Commission of the State of Colorado (“Commission” or “COGCC”) for an order: **(1)** vacating approximate 640-acre drilling and spacing units established by Order Nos. 535-3 and 535-69 for Sections 7 and 18, Township 9 North, Range 60 West, 6th P.M., for production of oil, gas and associated hydrocarbons from the Niobrara Formation, **(2)** establishing an approximate 1,280-acre drilling and spacing unit for Sections 7 and 18, Township 9 North, Range 60 West, 6th P.M., and authorizing the drilling of 12 horizontal wells within the proposed unit, for production of oil, gas and associated hydrocarbons from the Codell, Fort Hays, Carlile, and Niobrara Formations, and **(3)** maintaining allocation of proceeds for any existing wells located within the proposed 1,280-acre unit area and producing from the Codell and/or Niobrara Formations. In support of this Application (“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 COGCC.
2. Applicant owns substantial leasehold interests in the below-listed lands (“Application Lands”):

Township 9 North, Range 60 West, 6th P.M.
Section 7: All
Section 18: All

Exhibit A, Application Map is attached hereto and depicts the Application Lands consisting of 1,280 acres, more or less.

3. COGCC Rule 318.a. provides that for any oil or gas well drilled to a common source of supply and drilled to a producing depth at least 2,500 feet below ground surface shall be located not less than 600 feet from any lease line and not less than 1,200 feet from any other producing or drilling oil or gas well when drilling to the same source of supply, unless authorized by Commission order upon

hearing. Sections 7 and 18, Township 9 North, Range 60 West, 6th P.M., are subject to this Rule for production of oil and gas from the Codell, Fort Hays and Carlile Formations. The Fort Hays and Carlile Formations are non-target formations, however are included in the proposed drilling and spacing unit at the Commission's request in the event the horizontal wellbore of any permitted well under the approved Application deviates into these formations.

4. On February 22, 2011, the Commission issued Order No. 535-3 which, among other things, established an approximate 640-acre drilling and spacing unit for Section 7, Township 9 North, Range 60 West, 6th P.M., and authorized the drilling of one horizontal well within the unit, for production of oil, gas and associated hydrocarbons from the Niobrara Formation, with the treated interval of any permitted well located no closer than 600 feet from unit boundaries.

5. On September 19, 2011, the Commission issued Order No. 535-69 which, among other things, established an approximate 640-acre drilling and spacing unit for Section 18, Township 9 North, Range 60 West, 6th P.M., and authorized the drilling of two horizontal wells within the unit, for production of oil, gas and associated hydrocarbons from the Niobrara Formation, with the treated interval of any permitted well located no closer than 600 feet from unit boundaries and an interwell setback no closer than 150 feet.

6. On June 17, 2013, the Commission issued Order No. 535-356 which, among other things, pooled all interests within the approximate 640-acre drilling and spacing unit established for Section 7, Township 9 North, Range 60 West, 6th P.M., for development and operation of the Niobrara Formation, and subjecting any interests belonging to nonconsenting owners to cost recovery and risk penalties associated with the drilling, completion and production of the Circle Ranch Federal LB07-62HN well.

Vacating the approximate 640-acre drilling and spacing units established for Sections 7 and 18, Township 9 North, Range 60 West, 6th P.M., for production from the Niobrara Formation

7. Applicant herein requests approximate 640-acre drilling and spacing units established by Order Nos. 535-3 and 535-69 for Sections 7 and 18, Township 9 North, Range 60 West, 6th P.M., for production of oil, gas and associated hydrocarbons from the Niobrara Formation, be vacated. By vacating these Orders, Applicant will herein propose the establishment of an approximate 1,280-acre drilling and spacing unit for the Application Lands, with authority to drill 12 horizontal wells within the proposed unit, for production of oil, gas and associated hydrocarbons from the Codell, Fort Hays, Carlile, and Niobrara Formations. This proposed development plan will allow the drilling of 12 two-mile laterals running north-to-south or south-to-north within the proposed unit, thereby preventing waste while protecting correlative rights within the proposed unit area.

Establishment of an approximate 1,280-acre drilling and spacing unit for the Application Lands, for production from the Codell, Fort Hays, Carlile and Niobrara Formations

8. Applicant herein seeks the establishment of an approximate 1,280-acre drilling and spacing unit for the Application Lands, and the authority to drill 12 horizontal wells within the proposed unit, for production of oil, gas and associated hydrocarbons from the Codell, Fort Hays, Carlile, and Niobrara Formations. Further, the establishment of the drilling and spacing unit is not smaller than the

area which can be efficiently and economically drained by the drilling of the requested horizontal wells to be drilled within said unit.

9. Applicant herein requests the treated intervals of any horizontal well permitted under this Application should be located not less than 300 feet from proposed unit boundaries and not less than 150 feet from the treated interval of any other well producing or drilling from the Codell, Fort Hays, Carlile, and/or Niobrara Formations, without exception being granted by the Director.

10. Further, Applicant herein requests any permitted wells drilled under this Application should be located on no more than four multi-well pads within the drilling and spacing unit, or on adjacent lands with surface owner consent, without exception being granted by the Director.

Maintaining allocation of proceeds for existing wells within the proposed unit area and producing from the Codell and/or Niobrara Formations

7. Noble Energy, Inc., presently operates the Circle Ranch Federal LB07-62HN well (API #05-123-36738), a horizontal well with its bottomhole located in the SW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 7, Township 9 North, Range 60 West, 6th P.M., and allocates production on a 640-acre unit area under Order No. 535-3, for production of oil, gas and associated hydrocarbons from the Niobrara Formation.

8. Bison Oil & Gas II, LLC, presently operates the Bashor 18-1 well (API #05-123-12452), a horizontal well with its bottomhole located in the SW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 18, Township 9 North, Range 60 West, 6th P.M., and allocates production on a 80-acre leasehold basis assigning the W $\frac{1}{2}$ NW $\frac{1}{4}$ of said Section 18, for production of oil, gas and associated hydrocarbons from the Niobrara Formation.

9. Applicant requests allocation of proceeds for the Circle Ranch Federal LB07-62HN and Bashor 18-1 wells be maintained and unaltered by the approved Application, for production of oil, gas and associated hydrocarbons from the Niobrara Formation.

* * *

10. 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 COGCC rules.

11. Applicant requests that relief granted as result of this Application should be effective on oral order by the Commission, and Applicant hereby agrees to be bound by the oral order of the Commission.

12. That the names and addresses of interested parties (owners within the Application Lands and those owners of lands cornering or adjacent to the Application Lands) according to the information and belief of the Applicant are set forth in Exhibit B. The Applicant shall submit a certificate of service for the Application within seven days as required by Rule 503.e. accompanied by Exhibit B.

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

A. Vacating approximate 640-acre drilling and spacing units established by Order Nos. 535-3 and 535-69 for Sections 7 and 18, Township 9 North, Range 60 West, 6th P.M., for production of oil, gas and associated hydrocarbons from the Niobrara Formation.

B. Establishing an approximate 1,280-acre drilling and spacing unit for the Application Lands, and authorizing the drilling of 12 horizontal wells within the proposed unit, for the production of oil, gas and associated hydrocarbons from the Codell, Fort Hays, Carlile, and Niobrara Formations, with the treated interval of any horizontal well permitted under this Application located not less than 300 feet from unit boundaries and not less than 150 feet from any other well producing or drilling from the Codell, Fort Hays, Carlile, and/or Niobrara Formations, without exception being granted by the Director.

C. Limiting the drilling of any permitted wells under this Application to no more than four multi-well pads within the drilling and spacing unit, or on adjacent lands with surface owner consent, without exception being granted by the Director.

D. Maintaining allocation of proceeds for any existing wells located within the proposed unit area and producing from the Codell and/or Niobrara Formations.

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

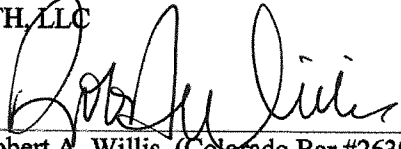
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DATED this 12th day of April, 2018.

Respectfully submitted,

8 NORTH, LLC

By:



Robert A. Willis (Colorado Bar #26308)
Poulson, Odell & Peterson, LLC
1775 Sherman Street, Suite 1400
Denver, CO 80203
(303) 861-4400 (main)
(303) 861-4418 (direct)
(303) 995-5120 (cell)

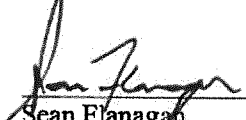
Applicant's Address:
370 Seventeenth Street, Suite 5300
Denver, CO 80202

VERIFICATION

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

Sean Flanagan, Landman for 8 North, LLC, 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.

8 NORTH, LLC


Sean Flanagan

Subscribed and sworn to before me this 12th day of April, 2018, by Sean Flanagan, Landman for 8 North, LLC.

Witness my hand and official seal.

My commission expires: 1/4/21

ANNE MICHELLE PIERINI
Notary Public
State of Colorado
Notary ID # 20124036744
My Commission Expires 01-04-2021


Notary Public

- Application Lands



- Existing Units



Exhibit A

Application Map

Township 9 North, Range 60 West, 6th P.M.

6	5	4	3	2	1	
7	8	9	10	11	12	
18	17	16	15	14	13	
19	20	21	22	23	24	
30	29	28	27	26	25	


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OF THE STATE OF COLORADO

IN THE MATTER OF THE APPLICATION OF 8 NORTH,)
LLC, FOR AN ORDER TO ESTABLISH AN)
APPROXIMATE 1,280-ACRE DRILLING AND SPACING) CAUSE NO. 535
UNIT FOR SECTIONS 7 & 18, TOWNSHIP 9 NORTH,)
RANGE 60 WEST, 6TH P.M., AND AUTHORIZE THE) DOCKET NO: 180600471
DRILLING OF TWELVE HORIZONTAL WELLS)
WITHIN THE PROPOSED UNIT, FOR PRODUCTION) TYPE: Spacing
FROM THE CODELL, FORT HAYS, CARLILE, AND)
NIOBRARA FORMATIONS, UNNAMED FIELD, WELD)
COUNTY, COLORADO)

CERTIFICATE OF MAILING

I, Bridget Wittrock, hereby certify that on the 19th day of April, 2018, I caused a copy of the Application in the above-referenced Docket Number to be deposited in the U.S. Mail, postage prepaid, addressed to the parties listed on Exhibit B attached hereto.

DATED this 20th day of April, 2018.



Bridget Wittrock
Poulson, Odell & Peterson, LLC
1775 Sherman Street, Suite 1400
Denver, Colorado 80203

EXHIBIT B

INTERESTED PARTIES

8 North, LLC
370 17th Street, Suite 5300
Denver, CO 80202

180600471

Bison Oil & Gas II, LLC
518 17th Street, Suite 1800
Denver, CO 80202

180600471

Edge Energy II, LLC
621 Seventeenth Street, Suite 1401
Denver, CO 80202

180600471

IOCL (USA) Inc.
333 Clay Street, Suite 3300
Houston, TX 77002

180600471

Jal Interests, LLC
3301 Cornell Ave.
Dallas, TX 75205

180600471

Oil India (USA) Inc.
333 Clay Street, Suite 3300
Houston, TX 77002

180600471

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

180600471

Kent Kuster
CDPHE
4300 Cherry Creek Dr. South
Denver, CO 80246-1530

180600471

Corporation of the Presiding Bishop
of The Church of Latter-day Saints
50 E. North Temple Street, 12th Floor
Salt Lake City, Utah 84150

180600471

Haimo Oil & Gas LLC
2901 Wilcrest Drive, Suite 285
Houston, TX 77042

180600471

Hat Creek Royalty, LTD
P.O. Box 3240
Midland, TX 79702

180600471

Patrick Dale Leathers
1861 S. Sandhill Road
Las Vegas, NV 59104

180600471

Noble Energy Wyco LLC
1625 Broadway Suite 2200
Denver, CO 80202-4720

180600471

Okreek Oil & Gas, LLC
999 18th Street, Suite 1120S
Denver, CO 80202

180600471

Weld County Colorado
P. O. Box 758
Greeley, CO 80632

180600471

Colo. Parks & Wildlife
Attn: Brandon Marette
6060 Broadway
Denver, CO 80216

180600471

DPOC, LLC
1821 Blake Street, Suite 2B
Denver, CO 80202

180600471

Duane L. Haley
9550 East Orchard Drive
Greenwood Village, CO 80111

180600471

HERV Oil, LLC
3131 McKinney Ave. Ste. 600
Dallas, TX 75204

180600471

Kenneth W. Mick
180 Sunlight Dr.
Grand Junction, CO 81507

180600471

Noble Energy Inc.
1625 Broadway Suite 2200
Denver, CO 80202-4720

180600471

Robert W. Turner
P.O. Box 15321
Westminister, CA 92683

180600471

Western Colorado Energy
P.O. Box 144
Florissant, CO 80816

180600471

Troy Swain
Weld County
Dept. of Planning Services
1555 North 17th Ave.
Greeley, CO 80631
180600471