

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 24 & 25, TOWNSHIP 10 NORTH,) DOCKET NO. **180600484**
RANGE 60 WEST, 6TH P.M., AND AUTHORIZING THE)
DRILLING OF TWELVE HORIZONTAL WELLS) TYPE: Spacing
WITHIN THE PROPOSED UNIT, FOR PRODUCTION)
FROM THE CODELL, FORT HAYS, CARLILE, AND)
NIOBRARA FORMATIONS, UNNAMED FIELD, WELD)
COUNTY, COLORADO)

AMENDED 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) modifying Order No. 535-59 to reduce the number of authorized wells to one horizontal well within the approximate 960-acre drilling and spacing unit established for the S¹/₂ of Section 25 and Section 36, Township 10 North, Range 60 West, 6th P.M., for production of oil, gas and associated hydrocarbons from the Niobrara Formation, and maintaining allocation of proceeds for any existing wells located within said unit and producing from the Niobrara Formation, (2) vacating the approximate 960-acre drilling and spacing unit established by Order No. 535-151 for Section 24 and the N¹/₂ of Section 25, Township 10 North, Range 60 West, 6th P.M., which authorized the drilling of four horizontal wells within each unit, for production of oil, gas and associated hydrocarbons from the Niobrara Formation, and (3) establishing an approximate 1,280-acre drilling and spacing unit for Sections 24 and 25, Township 10 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. 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 10 North, Range 60 West, 6th P.M.
Section 24: All
Section 25: All

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. Section 36, Township 10 North, Range 60 West, 6th P.M., and Section 1, 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 August 8, 2011, the Commission issued Order No. 535-59 which, among other things, established an approximate 960-acre drilling and spacing unit for the S $\frac{1}{2}$ of Section 25, Township 10 North, Range 60 West, 6th P.M., and Section 36, Township 10 North, Range 60 West, 6th P.M., and authorized the drilling of four horizontal wells within said unit, for the 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 the unit boundaries.

5. On March 5, 2012, the Commission issued Order No. 535-151 which, among other things, established an approximate 960-acre drilling and spacing unit for the N $\frac{1}{2}$ of Section 25, Township 10 North, Range 60 West, 6th P.M., and Section 24, Township 10 North, Range 60 West, 6th P.M., and authorized the drilling of four horizontal wells within said unit, for the 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 the unit boundaries.

Modifying Order No.535-59 to reduce the number of authorized wells to one well within the approximate 960-acre drilling and spacing unit established for the S $\frac{1}{2}$ of Section 25 and Section 36, Township 10 North, Range 60 West, 6th P.M., for production from the Niobrara Formation

6. **Applicant herein requests Order No. 535-59 be modified to reduce the number of authorized horizontal wells to one well for the approximate 960-acre drilling and spacing unit established for the S $\frac{1}{2}$ of Section 25 and Section 36, Township 10 North, Range 60 West, 6th P.M., for production of oil, gas and associated hydrocarbons from the Niobrara Formation. By modifying Order No. 535-59, 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.**

7. **Whiting Oil & Gas Corp. presently operates the Church 36-2523H well ("Well"), API #05-123-33681, a horizontal well with its bottomhole located in the SW $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 25, Township 10 North, Range 60 West, 6th P.M., and allocates production on a 960-acre unit basis under Order No. 535-59 for the S $\frac{1}{2}$ of Section 25 and Section 36, Township 10 North, Range 60 West, 6th P.M., for production of oil, gas and associated hydrocarbons from the Niobrara Formation. Applicant requests that allocation of proceeds from the Well be maintained and unaltered by the approved Application, for production of oil, gas and associated hydrocarbons from the Niobrara Formation.**

Vacating the approximate 960-acre drilling and spacing unit established for Section 24 and the N½ of Section 25, Township 10 North, Range 60 West, 6th P.M., for production from the Niobrara Formation

8. Applicant herein requests the approximate 960-acre drilling and spacing unit established by Order No. 535-151 for Section 24 and the N½ of Section 25, Township 10 North, Range 60 West, 6th P.M., which authorized the drilling of 4 horizontal well within said unit, for production of oil, gas and associated hydrocarbons from the Niobrara Formation, be vacated. By vacating Order No. 535-151, 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

9. 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.

10. Applicant herein requests the treated interval 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 productive interval of any other well producing or drilling in the unit**, without exception being granted by the Director.

11. 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.

* * *

12. 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.

13. 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.

14. That the names and addresses of interested parties (owners within the Application Lands and Section 36, Township 10 North, Range 60 West, 6th P.M., 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 with the legal Notice of Hearing for same.

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. Modifying Order No. 535-59 to reduce the number of authorized wells to one horizontal well within the approximate 960-acre drilling and spacing unit established for the S½ of Section 25 and Section 36, Township 10 North, Range 60 West, 6th P.M., for production of oil, gas and associated hydrocarbons from the Niobrara Formation, and maintaining allocation of proceeds for any existing wells located within said unit and producing from the Niobrara Formation.

B. Vacating the approximate 960-acre drilling and spacing unit established by Order No. 535-151 for Section 24 and the N½ of Section 25, Township 10 North, Range 60 West, 6th P.M., which authorized the drilling of four horizontal wells within each unit, for production of oil, gas and associated hydrocarbons from the Niobrara Formation.

C. 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 the productive interval of any well in the unit**, without exception being granted by the Director.

D. 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.

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

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DATED this 3rd day of May, 2018.

Respectfully submitted,

8 NORTH, LLC

By: Robert A. Willis
Robert A. Willis (Colorado Bar #26308)
Poulson, Odell & Peterson, LLC
1775 Sherman Street, Suite 1400
Denver, CO 80203
(303) 861-4400 (main)
(303) 264-4418 (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)

Annie Pierini, Landman for 8 North, LLC, upon oath deposes and says that she has read the foregoing Application and that the statements contained therein are true to the best of her knowledge, information and belief.

8 NORTH, LLC

Annie Pierini
Annie Pierini

Subscribed and sworn to before me this 3rd day of May, 2018, by Annie Pierini, Landman for 8 North, LLC.

Witness my hand and official seal.

My commission expires: 01/25/22

**HALEY ZEPESKI
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20184004172
MY COMMISSION EXPIRES JAN 25, 2022**

Haley Zepeski
Notary Public

EXHIBIT B

INTERESTED PARTIES

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

180600484

Carrizo (Niobrara) LLC
500 Dallas Street, Suite 2300
Houston, TX 77002

180600484

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

IOCL India (USA) Inc.
333 Clay Street, Suite 3300
Houston, TX 77042

180600484

Okreek Oil & Gas II, LLC
999 18th Street, Suite 11205
Denver, CO 80202

180600484

Verdad Resources Nominee Co.
5950 Cedar Springs Road, Ste 200
Dallas, TX 75235

180600484

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

180600484

Bureau of Land Management
2850 Youngfield Street
Lakewood, CO 80215

180600484

Michael W. Gaynor
212 Seashore Ct.
Marco Island, FL 34145

180600484

Henson Family Trust
959 Calle Collado
Thousand Oaks, CA 91360

Katherine G. Marine
1262 Calle Concordia
Tucson, AZ 85704

180600484

The Peter T. Gaynor Revocable
Trust, dated January 10, 2010
255 East Fifth St, Suite 2700
Cincinnati, OH 45202

180600484

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

180600484

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

180600484

Max L. Campbell
12873 W. Harvard Avenue
Denver, CO 80228

180600484

Vere W. Gaynor
213 East 3rd Street
Cincinnati, OH 45202

180600484

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

OIL India (USA) Inc.
333 Clay Street, Suite 3300
Houston, TX 77042

180600484

Trust Under The Will of Rosemary
W. Chilson, c/o Vere W. Gaynor
212 East 3rd Street
Cincinnati, OH 45202

180600484

Whiting Oil and Gas Corporation
1700 Broadway, Suite 2300
Denver, CO 80290

180600484

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

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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

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

EXHIBIT B

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Denver, CO 80216

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