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

IN THE MATTER OF AN APPLICATION BY BISON OIL & GAS II, LLC FOR AN ORDER TO) Cause No. 535
ESTABLISH AN APPROXIMATE 320-ACRE	Docket No. 180700496
DRILLING AND SPACING UNIT WITH WELL LOCATION RULES APPLICABLE TO THE)) Type: SPACING
DRILLING OF WELLS AND PRODUCING OF OIL, GAS, AND ASSOCIATED	
HYDROCARBONS FROM THE NIOBRARA, FORT HAYS, CODELL, AND CARLILE)
FORMATIONS FOR THE S½ OF SECTION 13,)
TOWNSHIP 8 NORTH, RANGE 61 WEST, 6TH P.M., UNNAMED FIELD, WELD COUNTY,)
COLORADO)
)

<u>APPLICATION</u>

Bison Oil & Gas II, LLC ("Applicant" or "Bison"), Operator No. 10661, by and through its attorneys, Welborn Sullivan Meck & Tooley, P.C., respectfully submits this Application to the Oil and Gas Conservation Commission of the State of Colorado ("Commission") for an order establishing an approximate 320-acre drilling and spacing unit, and authorizing up to eight horizontal wells within the unit, for 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 Weld County, Colorado. In support of its Application, Applicant states as follows:

- 1. Applicant is a limited liability company duly authorized to conduct business in Colorado.
- 2. Applicant, owns leasehold interests and/or the right to drill, and is an Owner as defined by Commission rules, in the following lands ("Application Lands"):

Township 8 North, Range 61 West, 6th P.M. Section 13: S½

Weld County, Colorado

A reference map of the Application Lands is attached as Exhibit B hereto.

3. Rule 318.a. of the Rules and Regulations of the Oil and Gas Conservation Commission requires that, on unspaced lands, wells drilled in excess of 2,500 feet in depth be

located not less than 600 feet from any lease line, and located not less than 1,200 feet from any other producible or drilling oil or gas well when drilling to the same common source of supply.

- 4. On March 8, 2011, the Commission entered Order No. 535-3, which established 160 approximate 640-acre drilling and spacing units for certain lands in Townships 8, 9, and 10, North, Ranges 58 through 61 West, 6th P.M., and approved one horizontal well in each unit, for the production of oil, gas, and associated hydrocarbons from the Niobrara Formation, with the treated interval of the wellbore to be located no closer than 600 feet from the unit boundaries, without exception being granted by the Director.
- 5. On September 16, 2013, the Commission entered Order No. 535-419, which vacated two approximate 640-acre drilling and spacing units established by Order No. 535-3 for Sections 13 and 24, Township 8 North, Range 61 West, 6th P.M., and established an approximate 1,280-acre drilling and spacing unit for Sections 13 and 24, Township 8 North, Range 61 West, 6th P.M., and approved up to two horizontal wells within the unit, for the production of oil, gas, and associated hydrocarbons from the Codell-Niobrara Formation, with the treated interval of the wellbores to be located no closer than 600 feet from the unit boundaries, and no closer than 150 feet from the treated interval of any other wellbore, without exception being granted by the Director.
- 6. On March 19, 2018, the Commission entered Order No. 535-957, which approved Bison Oil & Gas II, LLC's application at Docket No. 171000745 for an order to, among other things, vacate an approximate 1,280-acre drilling and spacing unit established by Order No. 535-419 for Sections 13 and 24, Township 8 North, Range 61 West, 6th P.M.
- 7. To promote efficient drainage, and to prevent waste, Applicant requests that the Commission establish an approximate 320-acre drilling and spacing unit for the Application Lands, and approve up to eight horizontal wells within the unit, for the production of oil, gas and associated hydrocarbons from the Niobrara, Fort Hays, Codell, and Carlile Formations, with the treated interval of each wellbore within the drilling and spacing unit being no closer than 600 feet from the unit boundary, and no closer than 165 feet from the productive interval of any other wellbore located within the unit, unless an exception is granted by the Director.
- 8. The proposed 320-acre drilling and spacing unit is necessary in order to protect Applicant's correlative rights in the Application Lands.
- 9. Applicant requests authority to drill those wells necessary to determine the appropriate well density that allows for the most economic and efficient drainage of the Niobrara, Fort Hays, Codell, and Carlile Formations, that prevents waste, that protects correlative rights, and that assures the greatest ultimate recovery of oil, gas and associated hydrocarbons. The drilling and spacing unit is not smaller than the maximum area that can be drained by the proposed wells. Applicant further maintains that the drilling and spacing unit will have no adverse effect on correlative rights.
- 10. Applicant states that the wells will be drilled from no more than one well pad within the unit or from a legal location on adjacent lands.

11. The names and addresses of the interested parties according to the information and belief of the Applicant are set forth in <u>Exhibit A</u> attached hereto and made a part hereof, and the undersigned certifies that copies of this Application shall be served on each interested party within seven (7) days after filing of the Application as required by Rules 503.e., 507.b.(1), and 507.c.

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.

Dated this 23th day of April, 2018.

Respectfully submitted,

WELBORN SULLIVAN MECK & TOOLEY, P.C.

By:

Joseph C. Pierzchala

Geoffrey W. Storm

Welborn Sullivan Meck & Tooley, P.C.

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jpierzchala@wsmtlaw.com

gstorm@wsmtlaw.com

Attorneys for Bison Oil & Gas II, LLC

Applicant's Address:

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

Phone: (720) 644-6997

VERIFICATION

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

Robert Pierini, Vice President – Land, for Bison Oil & Gas 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.

BISON OIL & GAS II, LLC

Robert Pierini

Vice President - Land

Subscribed and sworn to before me this <u>23</u>th day of April 2018 by Robert Pierini, Vice President - Land, for Bison Oil & Gas II, LLC.

Witness my hand and official seal.

ABIGAIL WENK NOTARY PUBLIC STATE OF COLORADO NOTARY ID 20164009689 MY COMMISSION EXPIRES MARCH 8, 2020

Notary Public

My Commission Expires: March 8, 2020

EXHIBIT A

INTERESTED PARTIES

Weld County

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

Colorado Department of Public Health and Environment

Attn: Kent Kuster, Oil and Gas Liaison 4300 Cherry Creek Dr. South Denver, CO 80246-1530

Colorado Division of Wildlife

Northeast Region Office 6060 Broadway Denver, CO 80216

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EXHIBIT A

INTERESTED PARTIES

Verdad Resources, LLC Oil India (USA) Inc. IOCL (USA) Inc. Haimo Oil & Gas, LLC Noble Energy WyCo, LLC Noble Energy, Inc. DPOC, LLC

Exhibit B - Application Lands

	2	1	6
	11	12	7
	14	12	18
	23	24	19
Hwy14 N	1" = 2500 Feet 0 1250 2500 500	Hwy 14	Hwy 14

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P.M., UNNAMED FIELD, WELD COUNTY,)	
COLORADO)	
)	

AFFIDAVIT OF MAILING

STATE OF COLORADO §

CITY AND COUNTY OF DENVER §

I, Geoffrey W. Storm, of lawful age, and being first duly sworn upon my oath, state and declare:

That I am the attorney for Bison Oil & Gas II, LLC and that on or before May 1, 2018, I 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 to the Application.

Geoffrey W Storm

Subscribed and sworn to before me May /, 2018.

Witness my hand and official seal.

MELISSA A. MORMAN NOTARY PUBLIC STATE OF COLORADO NOTARY ID 19894012434 MY COMMISSION EXPIRES AUGUST 29, 2021 Notary Public

My commission expires: ____

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