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

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IN THE MATTER OF THE APPLICATION OF CCRP OPERATING INC. FOR AN ORDER TO ESTABLISH AN APPROXIMATE 1,280-ACRE DRILLING AND SPACING UNIT FOR SECTION 35, TOWNSHIP 12 NORTH, RANGE 62 WEST, 6TH P.M., AND SECTION 2, TOWNSHIP 11 NORTH, RANGE 62 WEST, 6TH P.M., AND AUTHORIZE THE DRILLING OF FOURTEEN HORIZONTAL WELLS WITHIN THE PROPOSED UNIT, FOR PRODUCTION FROM THE CODELL, FORT HAYS, CARLILE, AND NIOBRARA FORMATIONS, HEREFORD FIELD, WELD COUNTY, COLORADO

CAUSE NO. 421 DOCKET NO. To be determined TYPE: Spacing

APPLICATION

CCRP Operating Inc. ("CCRP" or "Applicant"), Operator #10665, 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 two approximate 640-acre drilling and spacing units established by Order No. 421-3 for Section 35, Township 12 North, Range 62 West, 6th P.M., and Section 2, Township 11 North, Range 62 West, 6th P.M., which authorized the drilling of one horizontal well within said units, for production of oil, gas and associated hydrocarbons from the Niobrara Formation, and (2) amending Order No. 421-47 to establish an approximate 1,280-acre drilling and spacing unit for said Sections 35 and 2, and authorize the drilling of 14 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 12 North, Range 62 West, 6th P.M. Section 35: All

Township 11 North, Range 62 West, 6th P.M. Section 2: All

Exhibit A is attached hereto and depicts the Application Lands which consist of approximately 1,280 acres.

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 leaseline 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. The Application Lands are subject to this Rule for production of oil and gas from the Fort Hays and Carlile Formations.

4. On October 21, 2010, the Commission issued Order No. 421-3 which, among other things, established approximate 640-acre drilling and spacing units for both Section 35, Township 12 North, Range 62 West, 6th P.M., and Section 2, Township 11 North, Range 62 West, 6th P.M., and approved one horizontal well within said units, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation, with the treated interval of any permitted well located not less than 600 feet from unit boundaries.

5. On December 15, 2014, the Commission issued Order No. 421-47 which, among other things, established an approximate 1,280-acre drilling and spacing unit for the Application Lands, and approved four horizontal wells within said unit, for the production of oil, gas and associated hydrocarbons from the Codell Formation, with the treated interval of any permitted well located not less than 300 feet from unit boundaries and not less than 600 feet from any other well or treated interval of a well producing from the Codell Formation.

Vacating two approximate 640-acre drilling and spacing units for Section 35, Township 12 North, Range 62 West, 6th P.M., and Section 2, Township 11 North, Range 62 West, 6th P.M., for production from the Niobrara Formation

6. Applicant herein requests Order No. 421-3 which, among other things, established approximate 640-acre drilling and spacing units for both Section 35, Township 12 North, Range 62 West, 6th P.M., and Section 2, Township 11 North, Range 62 West, 6th P.M., be vacated. By vacating these units, Applicant will herein propose the establishment of an approximate 1,280-acre drilling and spacing unit for the Application Lands, and authority to drill 14 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 14 two-mile laterals running north-to-south or south-to-north within the proposed unit, thereby preventing waste while protecting correlative rights within, and adjacent to, 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

7. Applicant herein seeks to amend Order No. 421-47 to establish an approximate 1,280acre drilling and spacing unit for the Application Lands, and the authority to drill 14 horizontal wells within the proposed unit, for production of oil, gas and associated hydrocarbons from the Codell, Fort Hays, Carlile, and Niobrara Formations. 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 the proposed unit.

8. 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.

9. 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.

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 <u>Exhibit B</u>. The Applicant shall submit a certificate of service for the Application within seven days as required by Rule 503.e.

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 No. 421-3 for both Section 35, Township 12 North, Range 62 West, 6th P.M., and Section 2, Township 11 North, Range 62 West, 6th P.M., which authorized the drilling of one horizontal well within each unit, for production of oil, gas and associated hydrocarbons from the Niobrara Formation.

B. Amending Order No. 421-47 to establish an approximate 1,280-acre drilling and spacing unit for the Application Lands, and authorizing the drilling of 14 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. For such other findings and orders as the Commission may deem proper or advisable given the premises.

DATED this 30 day of April, 2018.

Respectfully submitted,

CCRP OPERATING I By:

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)

Applicant's Address: 717 Seventeenth Street, Suite 1525 Denver, CO 80202

VERIFICATION

)) ss.

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STATE OF COLORADO

CITY & COUNTY OF DENVER

Lawrence D. Lillo, Vice President-Land for CCRP Operating Inc., 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.

CCRP OPERATING INC.

anne o hillo wrence D. Lillo

Subscribed and sworn to before me this 30th day of April, 2018, by Lawrence D. Lillo, Vice President-Land for CCRP Operating Inc.

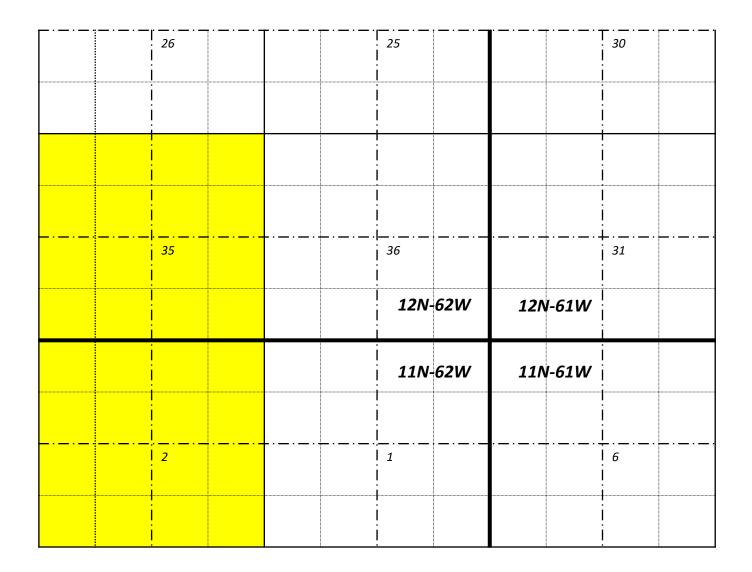
Witness my hand and official seal.

My commission expires:	8106		
NANCY J HALL NOTARY PUBLIC STATE OF COLORADO NOTARY ID 2006/4041009 MY COMMISSION EXPIRES OCTOBER 06,	Ncary Public	all a	UU

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Application Lands

Townships 11 & 12 North, Ranges 61 & 62 West, 6th P.M.



<u>EXHIBIT B</u>

INTERESTED PARTIES

Robert Willis, Esq. Poulson, Odell & Peterson LLC 1775 Sherman St., Suite 1400 Denver, CO 80203

Anadarko E&P Onshore LLC 1099 18th St., Ste. 1800 Denver, CO 80202

Billy & Leona Montgomery 39609 Piper St. Hereford, CO 80732

Charles E. Lee & Teresa Ann Lee P.O. Box 43 Hereford, CO 80732

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

Charles R Dunlap 4519 Mockingbird Lane Laramie, WY 82070

Donald S. Bossen 3049 S. Fox St. Englewood, CO 80110

Freedom Holding Co. LLC P.O. Box 1091 Brighton, CO 80601

Harvey W. Keiper P.O. Box 71 Hereford, CO 80732

JRG Working Interest, LLC P.O. Box 1605 Red Lodge, MT 59068 CCRP Operating Inc. 717 Seventeenth St., Suite 1525 Denver, CO 80202

Anadarko Land Corp. 1099 18th St., Ste. 1800 Denver, CO 80202

Brittany R. Knight & Colby W. Knight 40055 County Road 132 Hereford, CO 80732

Charles R Dunlap & Linda Dunlap 4519 Mockingbird Lane Laramie, WY 82070

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

David A. Dechant, Trustee of Ten Hand Trust 8029 CR 39 Ft. Lupton, CO 80621

Donald Warren Hurd 67200 Broadway Hereford, CO 80732

Haimo Oil & Gas LLC 2901 Wilcrest Dr., #285 Houston, TX 77002

Lincoln Energy Partners II, LLC 852 Broadway, #300 Denver, CO 80203

Katherine Diane Schrum 3608 Buckskin Trail LaPorte, CO 80535 8 North, LLC 370 17th St., Suite 5300 Denver, CO 80202

Ann E. White and Gerald D. White P.O. Box 79 Hereford, CO 80732

Carrizo Oil & Gas, Inc. 1000 Louisiana St., #1500 Houston, TX 77002

Troy Swain Weld County Dep't of Planning Services 1555 North 17th Ave. Greeley, CO 80631

Clear Creek Resource Partners Holdings LLC 717 17th St., Ste. 1525 Denver, CO 80202

Diane Schissler 223 S. 16th Ave. Brighton, CO 80601

Fifth Creek Energy Operating Co. LLC 5251 DTC Parkway, #420 Greenwood Village, CO 80111

Hampton Royalties, LLC 1855 40th Ave. Greeley, CO 80634

IOCL (USA) Inc. 333 Clay St., #3300 Houston, TX 77002

Lazarus M. Pino 67132 County Rd. 390 Hereford, CO 80732 Marty Lynn Trimble 221 West Douglas Road, #11 Ft. Collins, CO 80524

Oil India (USA) Inc. 333 Clay St., #3300 Houston, TX 77002

Peteco Properties, LLC 5236 Pinehurst Dr. Boulder, CO 80301

Ronald L. Hall, Jr & Shirley J. Hall Ronald L. Hall, Sr & Ann G. Hall P.O. Box 32 Hereford, CO 80732

Scott W. Jackson P.O. Box 75 Hereford, CO 80732

T. E. McClintock T/W fbo Mary M. Town of Hereford Swift U.S. Bank, N.A., Trustee, BOKF, N.A., Agent P.O. Box 3499 Tulsa, OK 74101 Verdad Resources Nominee Co. 5950 Cedar Springs Rd, #200 Dallas, TX 75235

McClintock & Nikoloric LLC BOKF. NA dba Colorado State Bank and Trust, Agent P.O. Box 3499 Tulsa. OK 74101 Pamela Pino 67132 County Rd. 390 Hereford, CO 80732

Rearden Minerals, LLC 5914 W. Courtyard Dr., #200 Austin, TX 78730

P.O. Box 94 Hereford, CO 80732

Sharon Shmidl Revocable Trust UAD November 20, 2013 P.O. Box 396 Pine Bluffs, WY 82082

General Delivery Hereford, CO 80732

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

Norma Jean & Gary Smith P.O. Box 65 Carpenter, WY 82054

Pawnee Butte Royalties, LLC P.O. Box 4631 Englewood, CO 80155

Retamco Operating, Inc. P.O. Box 790 Red Lodge, MT 59068

S T Organics P.O. Box 28 Hereford, CO 80732

Steven Wayne Trimble 2355 County Road 47 Burns, WY 82053

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

Zane R. Pavlica Revocable Trust 4068 I-80 Service Rd Burns, WY 82053

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CAUSE NO. 421 DOCKET NO. 180700499 TYPE: Spacing

CERTIFICATE OF MAILING

I, Bridget Wittrock, hereby certify that on the 1st day of May, 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 <u>Exhibit B</u> attached hereto.

DATED this 1st day of May, 2018.

Bridget () thank

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

EXHIBIT B

INTERESTED PARTIES

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