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

IN THE MATTER OF THE APPLICATION OF CONOCOPHILLIPS COMPANY FOR AN ORDER TO POOL ALL INTERESTS IN AN APPROXIMATE 960-ACRE DRILLING AND SPACING UNIT ESTABLISHED FOR SECTION 25, TOWNSHIP 3 SOUTH, RANGE 65 WEST, 6TH P.M., AND THE W1/2 OF SECTION 30, TOWNSHIP 3 SOUTH, RANGE 64 WEST, 6TH IN THE NIOBRARA FORMATION, **UNNAMED** FIELD, **ADAMS** COUNTY, COLORADO

CAUSE NO. 535

DOCKET NO. 180700

TYPE: POOLING

APPLICATION

COMES NOW ConocoPhillips Company (Operator No. 19160), including its wholly owned subsidiary Burlington Resources Oil & Gas LP (Operator No. 26580) (together, "COPC" or "Applicant"), by its attorneys, Jost Energy Law, P.C., and makes this application to the Oil and Gas Conservation Commission of the State of Colorado ("Commission") for an order to pool all interests within an approximate 960-acre drilling and spacing unit established by Order No. 535-898 for Section 25, Township 3 South, Range 65 West, 6th P.M., and the W½ of Section 30, Township 3 South, Range 64 West, 6th P.M., and to subject any nonconsenting interests to the cost recovery provisions of §34-60-116(7), C.R.S., for the drilling of the drilling of the Yellow 3-64 30-25 2AH Well (API No. Pending), Yellow 3-64 30-25 2DH Well (API No. Pending), Yellow 3-64 30-25 1AH Well (API No. Pending), Yellow 3-64 30-25 1BH Well (API No. Pending), Yellow 3-64 30-25 1CH Well (API No. Pending) and Yellow 3-64 30-25 1DH Well (API No. Pending) ("Wells"), for the development and operation of the Niobrara Formation:

Township 3 South, Range 64 West, 6th P.M. Section 30: W½

Township 3 South, Range 65 West, 6th P.M. Section 25: All

960-acres, more or less, Adams County, Colorado.

Hereinafter "Application Lands."

In support thereof, COPC states and alleges as follows:

1. COPC is a Delaware corporation duly authorized to conduct business in the State of Colorado, and is a registered operator in good standing with the Commission.

- 2. COPC and/or its subsidiary company Burlington Resources Oil & Gas Company LP are Owners as defined by the Colorado Oil and Gas Conservation Act and the Commission's 100 Series Rules and own certain leasehold interests or the right to operate leasehold interests in the Application Lands.
- 3. On December 11, 2017, the Commission entered Order No. 535-898 which established an approximate 960-acre drilling and spacing unit established for Section 25, Township 3 South, Range 65 West, 6th P.M., and the W½ of Section 30, Township 3 South, Range 64 West, 6th P.M., and approved two horizontal wells within the unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation, with the productive interval of any horizontal well to be located be no closer than 460 feet from the boundaries of the unit and not less than 150 feet from the productive interval of another well within the unit, unless an exception is granted by the Director.
- 4. On May 4, 2018, Applicant filed a verified concurrent Application for Additional Wells pursuant to §34-60-116, C.R.S. for an order to approve an additional six horizontal wells, for a total of up to eight horizontal wells, in the approximate 960-acre drilling and spacing unit established for the Application Lands for the production of oil, gas and associated hydrocarbons from the Niobrara Formation, with the productive interval of any horizontal well to be located be no closer than 460 feet from the boundaries of the unit and not less than 150 feet from the productive interval of another well within the unit, and authorizing up to two well pads in the unit, or adjacent thereto, unless an exception is granted by the Director.
- 5. COPC, pursuant to Commission Rule 530 and/or the provisions of §34-60-116(6) and (7), C.R.S., hereby requests an order to pool all interests in the approximate 960-acre drilling and spacing unit established for the Application Lands, for the development and operation of the Wells in the Niobrara Formation, and to subject any nonconsenting interests to the cost recovery provisions of §34-60-116(7), C.R.S., effective as of the earlier of the date of this Application, or the date that the costs specified in C.R.S. § 34-60-116(7)(b) are first incurred for the drilling of the Wells for the development and operation of the Niobrara Formation.
- 6. COPC certifies that copies of this Application will be served on all persons owning an interest in the mineral estate of the tracts to be pooled within seven (7) days of the date hereof, as required by Rule 503.e., and that at least thirty-five (35) days prior to the hearing on this matter, each such interest owner not already leased or voluntarily pooled will be offered the opportunity to lease, or to participate in the drilling of the Wells, and will be provided with the information required by Rule 530 as applicable.
- 7. In order to allow for more efficient reservoir drainage, prevent waste, assure a greater ultimate recovery of hydrocarbons, and to correlative rights, all interests in the 960-acre drilling and spacing unit should be pooled for the orderly development and operation of the Wells in the Niobrara Formation, including any non-consenting interests therein.

WHEREFORE, COPC requests that this matter be set for hearing on July 30, 2018, that notice be given as required by law, and that upon such hearing, the Commission enter its order:

- A. Pooling all interests in an approximate 960-acre drilling and spacing unit established for the Application Lands for the development and operation of the Niobrara Formation, effective as of the earlier of the date of the Application, or the date that any of the costs specified in §34-60-116(7)(b)(II), C.R.S., are first incurred for the drilling of the Yellow 3-64 30-25 2AH Well (API No. Pending), Yellow 3-64 30-25 2DH Well (API No. Pending), Yellow 3-64 30-25 2CH Well (API No. Pending), Yellow 3-64 30-25 1AH Well (API No. Pending), Yellow 3-64 30-25 1BH Well (API No. Pending), Yellow 3-64 30-25 1CH Well (API No. Pending) and Yellow 3-64 30-25 1DH Well (API No. Pending) ("Wells").
- B. Providing that the production obtained from the Wells shall be allocated to each owner in the unit on the basis of the proportion that the number of acres in such tract bears to the total number of mineral acres within the drilling and spacing unit; each owner of an interest in the drilling and spacing unit shall be entitled to receive its share of the production of the Wells applicable to its interest in the drilling and spacing unit.
- C. Providing that any working interest owner who does not elect to participate in the Wells or fails to make a timely election is hereby deemed to be nonconsenting and is subject to the penalties as provided for in §34-60-116(7), C.R.S. The nonconsenting working interest owner must reimburse the consenting owners for his proportionate share of the costs and risks of drilling and operating the Wells from his proportionate share of production, subject to non-cost bearing interests, until costs and penalties are recovered as set forth in §34-60-116(7), C.R.S.
- D. Providing that any unleased owner who does not elect to participate in the Well(s) or fails to make a timely election is hereby deemed to be nonconsenting and is subject to the penalties as provided for in §34-60-116(7), C.R.S.
- E. Providing that each nonconsenting unleased owner within the drilling and spacing unit shall be treated as the owner of the landowner's royalty to the extent of 12.5% of its record title interest, whatever that interest may be, until such time as the consenting owners recover, only out of each nonconsenting owner's proportionate 87.5% share of production, the costs specified in §34-60-116(7)(b), C.R.S., as amended. After recovery of such costs, each unleased nonconsenting mineral owner shall then own its proportionate 8/8ths share of the Wells, surface facilities and production, and then be liable for its proportionate share of further costs incurred in connection with the Wells as if it had originally agreed to the drilling.
- F. Providing that the operator of the Wells drilled on the above-described drilling and spacing unit shall furnish the nonconsenting owners with a monthly statement of all costs incurred, together with the quantity of oil and gas produced, and the amount of proceeds realized from the sale of production during the preceding month.

G. For such other findings and orders as the Commission may deem proper or advisable in this matter.

Dated: May 4, 2018.

Respectfully submitted:

CONOCOPHILLIPS COMPANY

By:

Jamie L. Jost Kelsey H. Wasylenky Jost Energy Law, P.C. Attorneys for Applicant 1401 17th Street, Suite 370 Denver, Colorado 80202 (720) 446-5620

COPC's Address:

ConocoPhillips Company Attn: Kent Crawford 600 N. Dairy Ashford Road Houston, TX 77079-1069

VERIFICATION

STATE OF TEXAS)
) ss.
COUNTY OF HARRIS)

Kent Crawford, of lawful age, being first duly sworn upon oath, deposes and says that he is a Staff Landman for ConocoPhillips Company, and that he has read the foregoing Application and that the matters therein contained are true to the best of his knowledge, information and belief.

Kent Crawford Staff Landman

ConocoPhillips Company

Subscribed and sworn to before me this graded day of May, 2018.

Witness my hand and official seal.

[SEAL]

Shelly Scott

My Commission Expires
01/19/2022
ID No. 1304092

My commission expires:

Notary Public

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

IN THE MATTER OF THE APPLICATION OF CONOCOPHILLIPS COMPANY FOR AN ORDER TO POOL ALL INTERESTS IN AN APPROXIMATE 960-ACRE DRILLING AND SPACING UNIT ESTABLISHED FOR SECTION 25, TOWNSHIP 3 SOUTH, RANGE 65 WEST, 6TH P.M., AND THE W½ OF SECTION 30, TOWNSHIP 3 SOUTH, RANGE 64 WEST, 6TH P.M., IN THE NIOBRARA FORMATION, UNNAMED **ADAMS** FIELD. COUNTY. **COLORADO**

CAUSE NO. 535

DOCKET NO. 180700

TYPE: POOLING

AFFIDAVIT OF MAILING

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

The undersigned, of lawful age, and being first duly sworn upon my oath, state and declare that I am the attorney for ConocoPhillips Company and that on or before the 7th day of May, 2018, I caused a copy of the Application to be deposited in the United States Mail, postage prepaid, addressed to the parties listed on Exhibit A to this Affidavit.

Jamie L. Jost Kelsey H. Wasylenky

Jill D. Dorancy

Subscribed and sworn to before me this 4th day of May, 2018.

Witness my hand and official seal.

Notary Public

KERRY LEBLEU
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 19934018734

MY COMMISSION EXPIRES JULY 24, 2021

EXHIBIT A FP - Yellow 3-65 25-30 - 8 wells

Anadarko Land Corporation Manager/Land Administration PO Box 173779 Denver, CO 80217-3779

Anadarko Land Corporation Attn: John Hasche 1099 18th St., Suite 1800 Denver, TX 80202-1918

Anadarko E&P Onshore LLC Manager/Land Administration PO Box 173779 Denver, TX 80217-3779

Anadarko E&P Onshore LLC Attn: John Hasche 1099 18th St., Suite 1800 Denver, CO 80202

ConocoPhillips Company Central Rockies Land Supervisor 600 N. Dairy Ashford Houston, TX 77079

Burlington Resources Oil & Gas Company LP
Central Rockies Land Supervisor
600 N. Dairy Ashford
Houston, TX 77079

AXIS Exploration, LLC 370 17th St., Suite 5300 Denver, CO 80202

AXIS Exploration, LLC PO Box 1168 Denver, CO 80201

Summit Petroleum Corporation 602 N.Baird St., Suite 200 Midland, TX 79701

Brandon 1983 Drilling Program c/o PH Basic Partners 38 Sycamore Dr. Upper Saddle River, NJ 7458 Alexander 1983 Drilling Program 240 West 35th St. New York, NY 10001

McCullis Resources Co. Inc 620 17th St. Suite 1320 Denver, CO 80293

George G Vaught, Jr. PO Box 13557 Denver, CO 80201

City of Aurora Colorado, a municipal corporation 15151 East Alameda Pkwy, 3rd Floor Aurora, CO 80012-1553

Edward C Schuppenhauer et ux 2400 Simonton Ave North Port, FL 34286-6162

Lisa Godliebsen 1456 Spring Valley Cmn Livermore, CA 94551

IB Haviland and Lucile S. Haviland Heirs and Devisees 507 Lake Shore Dr Michigan City, IN 46360

Betty Brook Bruning Heirs and Devisees 94568 Dublin Alameda, CA 94502

Leopold Bruning Jr. 5625 S Newport Ave Tulsa, OK 74105

First Church of Christ Scientist 210 Massachusetts Ave P02-02 Boston, MA 2115

Unity School of Christianity c/o Capital One, N.A. PO Box 3928 Beaumont, TX 77704-3928 Unity School of Christianity CARM 401 S.W. Oldham Parkway Lees Summit, MO 64081

Kenneth Lynn Mitchem and Donna Lou Mitchem, as joint tenants 1513 Cambridge Dr. Longmont, CO 80503-2330

Keith D Johnson (Richard Johnson, son) 33780 E. 38th Ave E Watkins, CO 80102

Colorado Maverick Co. LLC 133 W. San Antonio Street, Suite 300 San Marcos, TX 78666

Tree Top LP 133 W. San Antonio Street, Suite 300 San Marcos, TX 78666

Ecarg Resources LLC 625 E. Main St., Suite 102B-303 Aspen, CO 81611

Karen Mae Layman 502 Rife Way Broomfield, CO 80020-6061 Dennis M. Swenson 5360 Lakeshore Dr Littleton, CO 80123

Louis S Swenson 105 Breanna Lane Delores, CO 81323

Whitetail Minerals LLC 999 18th St, Suite 3370 Denver, CO 80202

Bison Oil & Gas LLC 999 18th St, Suite 3370 Denver, CO 80202

WEP Transport Holdings, LLC 625 E. Main St., Suite 1028-303 Aspen, CO 81611

WEP Transport Holdings, LLC PO Box 7068 Rancho Santa Fe, CA 92067

Meriam Lucile Haviland Larson Heirs and Devisees Unknown

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

IN THE MATTER OF THE APPLICATION OF CONOCOPHILLIPS COMPANY FOR AN ORDER TO POOL ALL INTERESTS IN AN APPROXIMATE 960-ACRE DRILLING AND SPACING UNIT ESTABLISHED FOR SECTION 25, TOWNSHIP 3 SOUTH, RANGE 65 WEST, 6TH P.M., AND THE W½ OF SECTION 30, TOWNSHIP 3 SOUTH, RANGE 64 WEST, 6TH P.M., IN THE NIOBRARA FORMATION, UNNAMED FIELD, ADAMS COUNTY, COLORADO

CAUSE NO. 535

DOCKET NO. 180700

TYPE: POOLING

CONOCOPHILLIPS COMPANY'S MOTION FOR AN ORDER OF SERVICE BY PUBLICATION

COMES NOW ConocoPhillips Company (Operator No. 19160) and its wholly owned subsidiary Burlington Resources Oil & Gas LP (Operator No. 26580) (together, "Applicant" or "COPC"), by its attorneys, Jost Energy Law, P.C., and files this motion for an order of service by publication ("Motion") to the Colorado Oil and Gas Conservation Commission ("Commission" or "COGCC"). In support of its Motion, COPC states the following:

A. <u>Factual and Procedural History</u>.

- 1. COPC, as Applicant herein, is a corporation duly authorized to conduct business in the State of Colorado, is a registered operator in good standing with the Commission, and is an interested party in the subject matter of the above-referenced Docket as the applicant and owner of certain leasehold interests in the Application Lands described below.
- 2. The Commission has jurisdiction over the subject matter embraced in said Docket, and of the parties interested therein, and jurisdiction to promulgate the hereinafter prescribed order pursuant to the Oil and Gas Conservation Act.
- 3. On December 11, 2017, the Commission entered Order No. 535-898 which established an approximate 960-acre drilling and spacing unit established for Section 25, Township 3 South, Range 65 West, 6th P.M., and the W½ of Section 30, Township 3 South, Range 64 West, 6th P.M., and approved two horizontal wells within the unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation, with the productive interval of any horizontal well to be located be no closer than 460 feet from the boundaries of the unit and not less than 150 feet from the productive interval of another well within the unit, unless an exception is granted by the Director.

4. On May 4, 2018, COPC filed a verified application in the above-captioned docket pursuant to §34-60-116, C.R.S. for an order to pool all interests within an approximate 960-acre drilling and spacing unit established for the below-described lands ("Application Lands"), for the development and operation of the Niobrara Formation; and to subject any non-consenting interests to the cost recovery provisions of §34-60-116(7), C.R.S., effective as of the earlier of the date of the Application, or the date that any of the costs specified in §34-60-116(7)(b), C.R.S., are first incurred for the drilling of the Yellow 3-64 30-25 2AH Well (API No. Pending), Yellow 3-64 30-25 2CH Well (API No. Pending), Yellow 3-64 30-25 1BH Well (API No. Pending), Yellow 3-64 30-25 1BH Well (API No. Pending), Yellow 3-64 30-25 1DH Well (API No. Pending) ("Wells"):

Township 3 South, Range 64 West, 6th P.M.

Section 30: W1/2

Township 3 South, Range 65 West, 6th P.M.

Section 25: All

960-acres, more or less, Adams County, Colorado.

- 5. On May 4, 2018, Applicant filed a verified concurrent Application for Additional Wells pursuant to §34-60-116, C.R.S. for an order to approve an additional six horizontal wells, for a total of up to eight horizontal wells, in the approximate 960-acre drilling and spacing unit established for the Application Lands for the production of oil, gas and associated hydrocarbons from the Niobrara Formation, with the productive interval of any horizontal well to be located be no closer than 460 feet from the boundaries of the unit and not less than 150 feet from the productive interval of another well within the unit, and authorizing up to two well pads in the unit, or adjacent thereto, unless an exception is granted by the Director.
- 6. By May 10, 2018, COPC will serve copies of the Application on all interested parties to the Application as defined in Rule 507.b.(1) and pursuant to Rule 503.e. (the "Interested Parties" or individually "Interested Party").
- 7. Upon reasonable due diligence, which is further detailed herein, COPC was unable to find address information for Meriam Lucile Haviland Larson heirs and devisees (the "Larson Party"). COPC listed the contact information for the Larson Party as "Address Unknown" in its Application.
- 8. The Commission has determined that in order for publication by notice to be effective as to persons with unknown addresses, the Applicant must first comply with Colorado Rule of Civil Procedure 4(g), which authorizes service of process by publication only after the Applicant files a verified motion with the Commission detailing Applicant's attempts to provide actual notice of the proceedings and the Commission grants the motion.

B. Standard of Review.

1. Section 34-60-108(4), C.R.S. provides:

"Any notice required by this article, except as provided in this section, shall be given by the commission either by mailing a copy thereof, postage prepaid, to the last known mailing address of the person to be given notice, or by personal service. In addition, the commission shall cause one publication of such notice, at least ten days prior to the hearing, in a newspaper of general circulation in the city and county of Denver and in a newspaper of general circulation in the county where the land affected, or some part thereof, is situated...In all cases where there is an application for the entry of a pooling order or unitization order...notice of the hearing to be held on such application or complaint shall be served on the interested parties either by mail as provided in this subsection (4) or in the same manner as is provided in the Colorado rules of civil procedure for the service of process in civil actions in the district courts of this state."

2. Commission Rule 519 states that "[t]he Colorado Rules of Civil Procedure apply to Commission proceedings unless they are inconsistent with Commission Rules or the Colorado Oil and Gas Conservation Act."

3. C.R.C.P. Rule 4(g) provides:

"Except as otherwise provided by law, service by mail or publication shall be allowed only in actions affecting specific property or status or other proceedings in rem. When service is by publication, the complaint need not be published with the summons. The party desiring service of process by mail or publication under this section (g) shall file a motion verified by the oath of such party or of someone in the party's behalf for an order of service by mail or publication. It shall state the facts authorizing such service, and shall show the efforts, if any, that have been made to obtain personal service and shall give the address, or last known address, of each person to be served or shall state that the address and last known address are unknown. The court, if satisfied that due diligence has been used to obtain personal service or that efforts to obtain the same would have been to no avail, shall:

(1) Order the party to send by registered or certified mail a copy of the process addressed to such person at such address, requesting a return receipt signed by the addressee only. Such service shall be complete on the date of the filing of proof thereof, together with such return receipt attached thereto signed by such addressee, or (2) Order publication of the process in a newspaper published in the county in which the action is pending. Such publication shall be made once each week for five successive weeks. Within 14 days after the order the party shall mail a copy of the process to each person whose address or last known address has been stated in the motion and file proof thereof. Service shall be complete on the day of the last publication. If no newspaper is published in the county, the court shall designate one in some adjoining county."

C. COPC's Due Diligence in Attempting to Locate the Unknown IPs.

In attempting to locate the Larson Party, COPC utilized the websites Archives.com, Familytreenow.com, Accurint.com, google.com and Ancestry.com in addition to conducting research at Heritage Title Company, the Adams County courthouse, and the probate filings in the Colorado State archives and the Jefferson County archives. As of the date of this Motion, COPC is unable to find a last known address for the Larson Party nor is COPC able to find a last known address for any confirmed heirs of the Larson Party.

D. Relief Requested

WHEREFORE, COPC respectfully requests the following relief:

- 1. That the Commission order publication of the process in the above-captioned docket in a newspaper published in Denver County, Colorado.
- 2. For such other findings and orders as the Commission may deem proper or advisable in this matter.

E. Reservation of Rights

COPC reserves its right to supplement this Motion.

Dated: May 4, 2018

Respectfully submitted,

CONOCOPHILLIPS COMPANY

Jamie L. Jost

Kelsey H. Wasylenky

Jost Energy Law, P.C. 1401 17th Street, Suite 370

Denver, CO 80202 720-362-0875

jjost@jostenergylaw.com

kwasylenky@jostenergylaw.com

Applicant's Address: ConocoPhillips Company Attn: Kent Crawford 600 N. Dairy Ashford Road Houston, TX 77079-1069

VERIFICATION

STATE OF TEXAS)
) ss
COUNTY OF HARRIS)

Kent Crawford, Staff Landman with ConocoPhillips Company, upon oath deposes and says that he has read the foregoing Motion for an Order of Service by Publication and that the statements contained therein are true to the best of his knowledge, information and belief.

CONOCOPHILLIPS COMPANY

Kent Crawford Staff Landman

Subscribed and sworn to before me this day of May, 2018, by Kent Crawford, Staff Landman for ConocoPhillips Company.

Witness my hand and official seal.

Shelly Scott
My Commission Expires
01/19/2022
ID No. 1304092

My commission expires:

Notary Public

CERTIFICATE OF SERVICE

I hereby certify that, on May $\frac{1}{2}$, 2018, Jost Energy Law, P.C. caused ConocoPhillips Company's Motion for Publication of Summons in Colorado Oil and Gas Conservation Commission Docket No. 180700___ to be served via electronic mail to the Colorado Oil and Gas Conservation Commission pursuant to Rule 509.3.(E), and by U.S. mail at the address listed below.

Colorado Oil and Gas Conservation Commission
Julie Spence Prine, Hearing Manager
Margaret Humecki, Hearings Assistant
James Rouse, Hearing Officer
1120 Lincoln Street, Suite 810
Denver, CO 80203
James.Rouse@state.co.us
Margaret.Humecki@state.co.us
James.Rouse@state.co.us

Jost Energy Law, P.C.