

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

IN THE MATTER OF THE AMENDED)	Cause No. 407
APPLICATION OF EXTRACTION OIL & GAS,)	
INC. FOR AN ORDER ESTABLISHING AN)	Docket No. 180700522
APPROXIMATE 1,280-ACRE DRILLING AND)	
SPACING UNIT WITH WELL LOCATION RULES)	Type: SPACING
APPLICABLE TO THE DRILLING OF WELLS)	
AND PRODUCING OF OIL, GAS, AND)	
ASSOCIATED HYDROCARBONS FROM THE)	
NIOBRARA AND CODELL FORMATIONS FOR)	
SECTIONS 15 AND 22, TOWNSHIP 5 NORTH,)	
RANGE 66 WEST, 6TH P.M., WATTENBERG)	
FIELD, WELD COUNTY, COLORADO.)	

AMENDED APPLICATION

Extraction Oil & Gas, Inc. (Applicant), Operator No. 10459, by its attorneys, Welborn Sullivan Meck & Tooley, P.C., respectfully submits this **Amended** Application to the Oil and Gas Conservation Commission of the State of Colorado (Commission) for an order establishing an approximate 1,280-acre drilling and spacing unit, and approving up to twenty-two (22) horizontal wells within the unit, with well location rules applicable to the drilling of wells and producing of oil, gas and associated hydrocarbons from the Niobrara and Codell Formations. In support of its **Amended** Application, Applicant states as follows:

1. Applicant owns leasehold interests and/or is an Owner with a right to drill in the following lands (Application Lands):

Township 5 North, Range 66 West, 6th P.M.
Section 15: All
Section 22: All

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

2. On April 27, 1988, the Commission adopted Rule 318A, the Greater Wattenberg Area Special Well Location, Spacing and Unit Designation Rule, which was amended on August 8, 2011 to, among other things, address the drilling of horizontal wells and requires that a horizontal wellbore spacing unit must include any governmental quarter-quarter section that is located less than 460' from the completed interval of the wellbore lateral. Rule 318A supersedes all prior Commission drilling and spacing orders affecting well location and density requirements of the Greater Wattenberg Area. The Rule does not, however, prohibit the establishment of drilling and spacing units within the Greater Wattenberg Area.

3. On February 19, 1992, amended August 20, 1993, the Commission entered Order No. 407-87, which established 80-acre drilling and spacing units for the production of oil and/or gas from the Niobrara Formation, the Codell Formation, and the Niobrara-Codell Formations underlying certain lands including the Application Lands, with permitted well locations in accordance with the provisions of Order No. 407-1.

4. On December 12, 2011, the Commission entered Order No. 407-521, which established an approximate 160-acre drilling and spacing unit for the NW¼ of Section 22, Township 5 North, Range 66 West, 6th P.M., and approved up to five (5) wells within the unit, for the production of oil, gas, and associated hydrocarbons from the Sussex, J Sand, Dakota, Codell, and Niobrara Formations. Order No. 407-521 further pooled all interests in the above-described unit, and granted cost-recovery pursuant to Section 34-60-116(7), C.R.S., out of the interests of any non-consenting working interest owners within the unit.

5. On January 23, 2012, the Commission entered Order No. 407-537, which established an approximate 160-acre drilling and spacing unit for the NE¼ of Section 22, Township 5 North, Range 66 West, 6th P.M.. Order No. 407-537 further pooled all interests in the approximate 160-acre drilling and spacing unit for the development and operation of the Sussex, J-Sand, Dakota, Codell and Niobrara Formations, and granted cost-recovery pursuant to Section 34-60-116(7), C.R.S, out of the interests of any non-consenting working interest owners within the unit.

6. There are numerous vertical and directional wells within the above-described 1,280-acre drilling and spacing unit producing from the Niobrara Formation, the Codell Formation, and the Niobrara-Codell Formations. Applicant requests that any vertical or directional wells operated and producing under Order Nos. 407-87, 407-521, **407-537**, or any other orders regulating the drilling and producing of vertical and/or directional wells drilled on the Application Lands, continue to be maintained by their respective orders.

7. To promote efficient drainage of the Niobrara and Codell Formations, and to assist in preventing waste, the Commission should establish an approximate 1,280-acre drilling and spacing unit for the below-described Application Lands, and should approve up to twenty-two (22) horizontal wells within the unit, for production of oil, gas and associated hydrocarbons from the Niobrara and Codell Formations:

Township 5 North, Range 66 West, 6th P.M.
Section 15: All
Section 22: All

8. Applicant requests authority to drill and complete one (1) horizontal well in the above-described approximate 1,280-acre drilling and spacing unit, with the option to drill and complete up to a total of twenty-two (22) horizontal wells within the unit. Applicant requests authority to drill only those wells necessary to determine the well density which allows the most efficient drainage of the Niobrara and Codell Formations, prevents waste, does not adversely affect correlative rights, and assures the greatest ultimate recovery of oil, gas and associated hydrocarbons.

9. Applicant requests that the treated interval of each wellbore within the unit be no closer than 150 feet from the treated interval of any other wellbore producing from the Niobrara, the Codell, and/or the Codell-Niobrara Formations, and no closer than 460 feet from the unit boundary, without exception being granted by the Director.

10. Applicant maintains that proposed drilling and spacing unit is not smaller than the maximum area that can be economically and efficiently drained by the requested number of wells within the unit. Applicant further maintains that wells drilled in the above-proposed drilling and spacing unit will have no adverse effect on correlative rights of adjacent owners.

11. Applicant states that the wells be drilled and operated from no more than four (4) surface locations within the unit and/or at a legal location on adjacent lands, without exception granted by the Director.

12. The names and addresses of the interested parties according to the information and belief of the Applicant are set forth in Exhibit A attached hereto and made a part hereof, and the undersigned certifies that copies of ~~this~~ **the** Application, ~~shall be~~ were served on each interested party within seven days after filing of the Application as required by the Rules 503.e and 507.b.(1). **Applicant further certifies that each interested party will be delivered notice at least 35 days in advance of the date of hearing.**

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.

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Dated this ___ day of **June** ~~May~~, 2018.

Respectfully submitted,

WELBORN SULLIVAN MECK & TOOLEY, P.C.

By: _____

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Geoffrey W. Storm
Welborn Sullivan Meck & Tooley, P.C.
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370 17th Street, Suite 5300
Denver, CO 80202
Attn: Drew Stout
Phone: 720-557-8325

EXHIBIT A

PARTIES ENTITLED TO NOTICE UNDER RULE 507.c.

Greeley Municipality

Brad Mueller
City of Greeley
1100 10th Street, Suite 202
Greeley, CO 80631

Evans Municipality

Fred Starr
City of Evans
1100 37th Street
Evans, CO 80620

Weld County Department of Planning Services

Troy Swain
1555 North 17th Avenue
Greeley, CO 80631

Colorado Department of Public Health and Environment

Kent Kuster
4300 Cherry Creek Drive South
Denver, CO 80246-1500

Colorado Parks and Wildlife

Brandon Marette
Northeast Region Office
6060 Broadway
Denver, CO 80216

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EXHIBIT A CONTINUED ON NEXT PAGE

EXHIBIT A

INTERESTED PARTIES

Barry L. Snyder	L. Dale Wells
Ben E. Ratliff	Lacy J. Dennis
Benjamin J. Theis	Larry M. Jacks
Bobbie J. Burke	Leba W. Sarkis
Bruce W. Dennis	Leonard O'Connor
Carly E. Theis	Linda B. Adams
Carol Deane Murphy	Linda Manichanh
Carolyn Dawn Gattis	Living Trust of Vina M. Disberger
Claudia M. Vetesy	Marion C. Campbell
Cora J. O'Connor	Mary Jane Samuels, Trustees
David E. Berhost Trust, dated May 29, 2008	Meng Manichanh
Dolph Lee White	Michelle L. Wyatt
Donald E. Gudmundson	Mineral Resources, Inc.
Donice M. Nealy	Norris C. Burke
Doreen K. Jacks	Oil and Gas Investors, LLC
Dwight J. Korgan	Patrick M. Groom
Fatima D. Groom	Raymond Francis Cullen
Fumiko Fukuta	Richmark Mineral Partners, LLC
Gara Minerals, LLC	Roger K. McGowan
Glencoe, LLC	Rouge Resources LLC
Gregory Lee Beck	Russell Anson
Heather Lea White	Samuels Living Trust dated June 22, 1993
Incline Niobrara Partners, LP	Sandra Anson
James I. Patterson	Scot E. Nealy
Janet L. Bishop	Scott Marcus Gattis
Janice D. Wells	Sean P. Wyatt
Janice P. Cloud	Sharon K. Clinebell
Jeremy A. Oziah	SRC Energy, Inc.
Jessica K. Oziah	Sun, LLC
John B. Adams	Synergy Resources Corporation
John B. Ebens	Taku Resources, LLC
John E. Cloud	Terrance L. Cacek
John M. Clinebell	Thomas E. Samuels
Julie L. Ratliff	Timberline Trust
K.P. Kauffmann Company, Inc.	Tracy Elaine Cullen
Karen S. Genoff-Campbell	Vieda McGowan
Kevin L. Arnold	William E. & Margaret Kobobel
Kristen G. Arnold	William G. Vetesy
Kristin R. Ebens	