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

IN THE MATTER OF THE **AMENDED** APPLICATION OF MALLARD EXPLORATION, LLC **AND NOBLE ENERGY, INC.** FOR AN ORDER ESTABLISHING AN APPROXIMATE 640-ACRE DRILLING AND SPACING UNIT FOR SECTION 16, TOWNSHIP 8 NORTH, RANGE 60 WEST, 6TH P.M., AND AUTHORIZE 16 HORIZONTAL WELLS WITHIN SAID UNIT, FOR PRODUCTION FROM THE CODELL, FORT HAYS, CARLILE AND NIOBRARA FORMATIONS, UNNAMED FIELD, WELD COUNTY, COLORADO

CAUSE NO. 535

DOCKET NO. 180700525

TYPE: Spacing

AMENDED APPLICATION

COMES NOW Mallard Exploration, LLC (Operator No. 10670) ("Mallard" or "Applicant") and Noble Energy, Inc. (Operator No. 100322) ("Noble"), by and through its undersigned attorneys, and respectfully submits this application to the Oil and Gas Conservation Commission of the State of Colorado ("COGCC" or "Commission") for an order: (1) establishing an approximate 640-acre drilling and spacing unit for Section 16, Township 8 North, Range 60 West, 6th P.M., and authorize the drilling of 16 horizontal wells within said unit, for production of oil, gas and associated hydrocarbons from the Codell, Fort Hays, Carlile, and Niobrara Formation, and (2) maintaining allocation of payment of proceeds for any existing well within said Section 16 and producing from the Codell, Fort Hays, Carlile, or Niobrara Formations. Mallard and Noble shall herein be referred to as "Co-Applicants". In support of this verified application ("Application"), Applicant states and alleges as follows:

- 1. Mallard Applicant is a limited liability company duly authorized to conduct business in the State of Colorado, and is a registered operator in good standing with the Commission. Noble is a corporation duly authorized to conduct business in the State of Colorado, and is a registered operator in good standing with the Commission.
- 2. **Mallard and Noble is/are either an** Owner and/or Operator as defined by the Colorado Oil and Gas Conservation Act, § 34-60-103(7) and the Commission 100 Series Rules, and owns leasehold interests and/or has the right to drill and produce on the following lands (hereafter "Application Lands"):

Township 8 North, Range 60 West, 6th P.M. Section 16: All

640 acres, more or less, Weld County, Colorado.

A reference map of the Application Lands is attached hereto.

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 Order for the Codell, Fort Hays, Carlile, and/or Niobrara Formations.

Establishing an approximate 640-acre drilling and spacing unit for the Application Lands, for production from the Codell, Fort Hays, Carlile, and Niobrara Formations

- 4. **Co-Applicants** Applicant—herein seeks the establishment of an approximate 640-acre drilling and spacing unit for the Application Lands, and the authority to drill 16 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 said unit.
- 5. **Co-Applicants** Applicant—further states that the productive interval of each proposed horizontal well shall be no closer than 600 feet from the boundaries of the 640-acre unit (regardless of lease lines within the unit), unless an exception is granted by the Director, and all horizontal wells shall be no closer than 150 feet from the productive interval of another well producing from the same supply within the unit, unless a waiver or consent is obtained from the operator of such well.
- 6. Further, **Co-Applicants** Applicant—herein requests any permitted wells drilled under this Application should be located on no more than two multi-well pads within the drilling and spacing unit, or on adjacent lands with surface owner consent, without exception being granted by the Director.

<u>Maintaining allocation of payment of proceeds for any existing well drilled within the Application</u>
Lands and producing from the Codell, Fort Hays, Carlile, and/or Niobrara Formation

- 7. Noble Energy, Inc., presently operates the State 8-60 16-1H well (API #05-123-32812), a horizontal well drilled and producing on a 640-acre leasehold basis, for production of oil, gas and associated hydrocarbons from the Niobrara Formation. Applicant hereby requests that allocation of proceeds for the State 8-60 16-1H well be maintained on a 640-acre leasehold basis, and that this well not count against the well count authorized by an approved Application, for production from the Codell, Fort Hays, Carlile, and Niobrara Formations
- 8. Noble Energy, Inc., presently operates the State 8-60 16-2H well (API #05-123-34824), a horizontal well drilled and producing on a 640-acre leasehold basis, for production of oil, gas and associated hydrocarbons from the Niobrara Formation. Applicant hereby requests that allocation of proceeds for the State 8-60 16-2H well be maintained on a 640-acre leasehold basis, and that this well not count against the well count authorized by an approved Application, for production from the Codell, Fort Hays, Carlile, and Niobrara Formations.

* * *

9. 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.

- 10. **Co-Applicants** Applicant requests that relief granted under this **Amended** Application should be effective on oral order by the Commission, and **Co-Applicants** Applicant—hereby agrees to be bound by said oral order.
- 11. The undersigned certifies that copies of this **Amended** Application will be served on each interested party as required by Rule 507 within seven (7) days of the filing hereof, as required by Rule 503.e. That the names and addresses of interested parties (owners within the Application Lands) according to the information and belief of the Applicant are set forth in Exhibit A. The Applicant shall submit a certificate of service for the Application within seven days as required by Rule 503.e. accompanied by Exhibit A.

WHEREFORE, **Co-Applicants** 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. Establishing an approximate 640-acre drilling and spacing unit for the Application Lands, and authorize the drilling of 16 horizontal wells within said unit, for production of oil, gas and associated hydrocarbons from the Codell, Fort Hays, Carlile, and Niobrara Formation, with the treated interval of any (regardless of lease lines within the unit), unless an exception is granted by the Director, and all horizontal wells shall be no closer than 150 feet from the productive interval of another well producing from the same supply within the unit, unless a waiver or consent is obtained from the operator of such well.
- B. Limiting the drilling of any permitted wells under this Application to no more than two multi-well pads within the drilling and spacing unit, or on adjacent lands with surface owner consent, without exception being granted by the Director.
- C. Maintaining allocation of payment of proceeds for the State 8-60 16-1H and State 8-60 16-2H wells drilled within Section 16, Township 8 North, Range 60 West, 6th P.M., and producing oil, gas and associated hydrocarbons from the Niobrara Formation.
- D. For such other findings and orders as the Commission may deem proper or advisable given the premises.

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Respectfully submitted:

MALLARD EXPLORATION, LLC

By:

Robert A. Willis

Poulson, Odell & Peterson, LLC 1775 Sherman Street, Suite 1400

Denver, Colorado 80203 Phone: (303) 861-4400 rwillis@popllc.com

Co-Applicant's Address: Mallard Exploration, LLC ATTN: Jordan Mattson 1821 Blake Street, Suite 2B Denver, CO 80202

NOBLE ENERGY, INC.

By:

Jamie L. Jost Kelsey Wasylenky Jost Energy Law, P.C. Attorneys for Applicant 1401 17th Street, Suite 370 Denver, Colorado 80202

(720) 446-5620

Co-Applicant's Address:
Noble Energy, Inc.
ATTN: Matt Otness

1625 Broadway, Suite 2200

Denver, CO 80202

VERIFICATION

| STATE OF COLORADO |) |
|---|--|
| CITY AND COUNTY OF DENVER |) ss.) |
| | 478 |
| Executive Vice President of Business Develo | ng first duly sworn upon oath, deposes and says that he is the pment for Mallard Exploration, LLC and that he has read the rein contained are true to the best of his knowledge, information |
| | ///em |
| | Jamison Mellvain |
| | Executive Vice President of Business Development Mallard Exploration |
| Subscribed and sworn to before me this 2154 | day of May, 2018. |
| Witness my hand and official seal. | MADISON MAMAGHANI NOTARY PUBLIC |
| [SEAL] | STATE OF COLORADO NOTARY ID 20174036078 COMMISSION EXPIRES AUG. 29, 2021 |
| My commission expires: 8/29/21 | <u> </u> |
| Mamm Notary Public | · |
| Tiomi, I dollar | |

VERIFICATION

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

Sue Ann Jack, of lawful age, being first duly sworn upon oath, deposes and says that she is a Land Manager for Noble Energy, Inc., and that she has read the foregoing Application and that the matters therein contained are true to the best of her knowledge, information and belief.

Sue Ann Jack

Land Manager

Noble Energy, Inc.

Subscribed and sworn to before me this 21 day of May, 2018.

Witness my hand and official seal.

DOLORES SPRESSER

Notary Public

State of Colorado

Notary ID # 20104017063

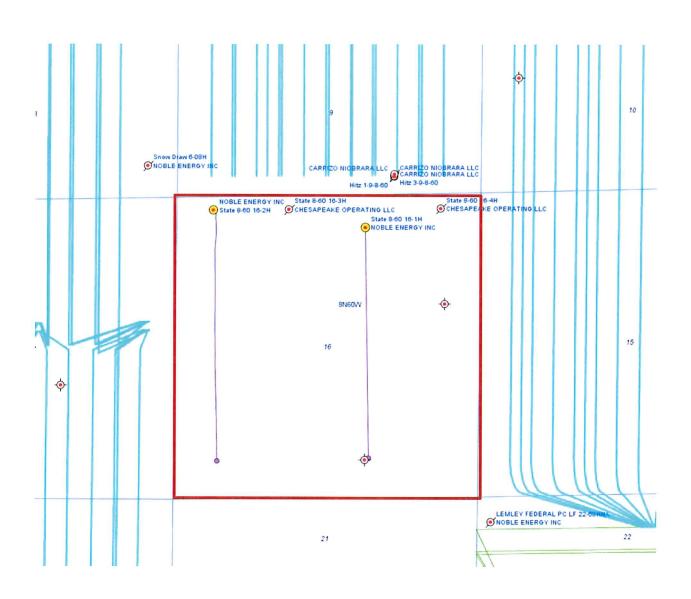
My Commission Expires 05-26-2022

My commission expires: May Ho 3022

Notary Public

Reference Map Mallard Exploration and Noble Energy, Inc.

Section 16, Township 8 North, Range 60 West, 6th P.M.



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

THE MATTER OF THE AMENDED APPLICATION OF MALLARD EXPLORATION, LLC AND NOBLE ENERGY, INC. FOR AN ORDER ESTABLISHING AN APPROXIMATE 640-ACRE DRILLING AND SPACING UNIT FOR SECTION 16, TOWNSHIP 8 NORTH, RANGE 60 WEST, 6TH P.M., AND AUTHORIZE HORIZONTAL WELLS WITHIN SAID UNIT, FOR PRODUCTION FROM THE CODELL, FORT HAYS, CARLILE AND **NIOBRARA** FORMATIONS. **UNNAMED** FIELD. WELD COUNTY, COLORADO

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TYPE: SPACING

AMENDED 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 Noble Energy, Inc., and that on or before the 25th day of May, I caused a copy of the Amended 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

Subscribed and sworn to before me this 22nd day of May, 2018.

Witness my hand and official seal.

[SEAL]

CHARLOTTE LAWLESS

NOTARY PUBLIC

STATE OF COLORADO

NOTARY ID 20144023899

MY COMMISSION EXPIRES JUNE 16, 2022

Muddle Sold Start Public

Exhibit A ID – 8N-60W-Sec 16

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

Troy Swain Weld County O&G LGD 1555 North 17th Ave. Greeley, CO 80631

Noble Energy, Inc. 1625 Broadway, Ste 2200 Denver, CO 80202

Mallard Exploration 1821 Blake St., Ste. 2B Denver, CO 80202

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

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

OOGC America, Inc. 945 Bunker Hill Rd., Ste. 1000 Houston, TX 77024

State of Colorado 1127 Sherman St. Denver, CO 80203