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

IN THE MATTER OF AN APPLICATION BY SRC ENERGY INC. FOR AN ORDER POOLING ALL INTERESTS IN TWO (2) APPROXIMATE 573.215-ACRE DESIGNATED WELLBORE SPACING UNITS ESTABLISHED FOR PORTIONS OF SECTION 13, TOWNSHIP 6 NORTH, RANGE 67 WEST, 6TH P.M. AND PORTIONS OF SECTION 18, TOWNSHIP 6 NORTH, RANGE 66 WEST, 6TH P.M., FOR THE DEVELOPMENT AND OPERATION OF THE NIOBRARA FORMATION, WATTENBERG FIELD, WELD COUNTY, COLORADO

CAUSE NO. 407

DOCKET NO.

TYPE: POOLING

APPLICATION

SRC Energy Inc., Operator No. 10311 ("SRC" or "Applicant"), by and through its attorneys, Beatty & Wozniak, P.C., respectfully submits this Application to the Oil and Gas Conservation Commission of the State of Colorado ("Commission") for an order pooling all interests in two (2) approximate 573.215-acre designated horizontal wellbore spacing units established for portions of Section 13, Township 6 North, Range 67 West, 6th P.M. and portions of Section 18, Township 6 North, Range 66 West, 6th P.M., for the development and operation of the Niobrara Formation. In support of its 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 Commission.
 - 2. Applicant owns a leasehold interest in the below-listed lands:

Township 6 North, Range 67 West, 6th P.M. Section 13: S½N½; N½S½

Township 6 North, Range 66 West, 6th P.M. Section 18: S½NW¼; N½SW¼; SW¼NE¼; NW¼SE¼

Wellbore Spacing Unit ("WSU") Nos. 1 and 2 573.215 acres, more or less, Weld County, Colorado.

These lands are hereinafter referred to as the "Application Lands" and depicted in Exhibit A attached hereto.¹

¹ The Application Lands contain irregular lots. Accordingly, the acreage comprising the wellbore spacing units has been modified to reflect the presence of irregular guarter-guarter sections.

- 3. On April 27, 1998, the Commission adopted Rule 318A. which, among other things, allowed certain drilling locations to be utilized to drill or twin a well, deepen a well or recomplete a well and to commingle any or all of the Cretaceous Age Formations from the base of the Dakota Formation to the surface. On December 5, 2005, Rule 318A. was amended to allow interior infill and boundary wells to be drilled and wellbore spacing units to be established. On August 8, 2011, Rule 318A. was again amended to, among other things, address drilling of horizontal wells. The Application Lands are subject to Rule 318A.
- 4. Upon information and belief, Applicant designated two (2) approximate 573.215-acre horizontal wellbore spacing units comprised of the Application Lands, for the below-described wells, for the production of oil, gas, and associated hydrocarbons from the Niobrara Formation. Applicant notified all owners in the proposed wellbore spacing units pursuant to Rule 318A.e.(5). Applicant did not receive objections to the establishment of the proposed horizontal wellbore spacing unit within the 30-day response period:
 - a. Lincoln 32N-13B-M Well (API No. 05-123-46753) WSU No. 1; and
 - b. Lincoln 32N-13A-M Well (API No. 05-123-46742) WSU No. 2.

These wells are hereinafter referred to as the "Subject Wells."

- 5. Acting pursuant to the relevant provisions of §34-60-116(6) & (7), C.R.S., and Rule 530., Applicant seeks an order pooling all interests, including, but not limited to, any nonconsenting interests, in WSU Nos. 1 and 2 established for the Application Lands, for the development and operation of the Niobrara Formation.
- 6. Applicant requests that the Commission's pooling order be made effective as of the earlier of the date of this Application, or the date that the costs specified in §34-60-116(7)(b), C.R.S. are first incurred for the drilling of the Subject Wells within WSU Nos. 1 and 2.
- 7. Further, Applicant requests that the interests of any owners with whom the Applicant has been unable to secure a lease or other agreement to participate in the drilling of the Subject Wells, are made subject 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 the costs specified in §34-60-116(7)(b), C.R.S. are first incurred for the drilling of the Subject Wells.
- 8. 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 Commission rules.
- 9. Applicant requests that relief granted under this Application should be effective on oral order by the Commission, and Applicant hereby agrees to be bound by said order.

10. The undersigned certifies that copies of this 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.

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:

- A. Pooling all interests in WSU Nos. 1 and 2 established for the Application Lands, for the development and operation of the Niobrara Formation, effective as of the earlier of the date of this Application, or the date that the costs specified in §34-60-116(7)(b), C.R.S. are first incurred for the drilling of the Subject Wells within WSU Nos. 1 and 2.
- B. Providing that the interests of any owners with whom the Applicant has been unable to secure a lease or other agreement to participate in the drilling of the Subject Wells, are made subject 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 the costs specified in §34-60-116(7)(b), C.R.S. are first incurred for the drilling of the Subject Wells.
- C. For such other findings and orders as the Commission may deem proper or advisable in the premises.

DATED this _23rd day of May, 2018

Respectfully submitted,

SRC ENERGY INC.

By: Jaludiah Ruteshouse

Jillian Fulcher
James P. Parrot
Jobediah J. Rittenhouse
Beatty & Wozniak, P.C.
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Denver, Colorado 80202
(303) 407-4499
jfulcher@bwenergylaw.com
jparrot@bwenergylaw.com
jrittenhouse@bwenergylaw.com

Address of Applicant SRC Energy Inc. ATTN: Matthew Johnson 1625 Broadway, Suite 300 Denver, Colorado 80202

VERIFICATION

STATE OF COLORADO)
CITY & COUNTY OF DENVER) ss.)
•	an for SRC Energy Inc., upon oath deposes and Application and that the statements contained edge, information, and belief.
	SRC ENERGY INC
	Matthew Johnson
Subscribed and sworn to before in by Matthew Johnson, Senior Landman f	
Witness my hand and official seal.	
My commission expires: /D-D(0-20	318
SALLY KROMER NOTARY PUBLIC STATE OF COLORADO NOTARY ID # 20144035926 MY COMMISSION EXPIRES OCTOBER 06, 2018	Notary Public

EXHIBIT A

Reference Map for Pooling Application

Township 6 North, Range 67 West, 6th P.M. Section 13: S½N½; N½S½

Township 6 North, Range 66 West, 6th P.M. Section 18: S½NW¼; N½SW¼; SW¼NE¼; NW¼SE¼

Wellbore Spacing Unit ("WSU") Nos. 1 and 2 573.215 acres, more or less, Weld County, Colorado

	2	1	6	5 .	4
	. 11	12	7	8	9
6N67V		13	18	17	16 6N66W Hwy 392
. Hv	vy 392 23	24	_Hwy 392	20	21

= Application Lands

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

IN THE MATTER OF AN APPLICATION BY SRC ENERGY INC. FOR AN ORDER POOLING ALL INTERESTS IN TWO (2) APPROXIMATE 573.215-ACRE DESIGNATED WELLBORE SPACING UNITS ESTABLISHED FOR PORTIONS OF SECTION 13, TOWNSHIP 6 NORTH, RANGE 67 WEST, 6TH P.M. AND PORTIONS OF SECTION 18, TOWNSHIP 6 NORTH, RANGE 66 WEST, 6TH P.M., FOR THE DEVELOPMENT AND OPERATION OF THE NIOBRARA FORMATION, WATTENBERG FIELD, WELD COUNTY, COLORADO

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AFFIDAVIT OF MAILING

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

Jo Cooks, of lawful age, and being first duly sworn upon her oath, states and declares:

That she is a Legal Assistant at Beatty & Wozniak, P.C., attorneys for SRC Energy Inc., and on or before the 30th day of May, 2018, 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** attached hereto.

Jo Cooks

Subscribed and sworn to before me this 23rd day of May, 2018.

Witness my hand and official seal.

MARY GRACE T. GO-HOVELAND
Notary Public
State of Colorado
20114013519
My Commission Expires March 3, 2019

Notary Publi

EXHIBIT A

INTERESTED PARTIES

The names and addresses of the interested parties (persons who own any interest in the mineral estate of the tracts to be pooled, except owners of overriding royalty interest) according to the information and belief of the Applicant are set forth in this **Exhibit A**.

AK Resources LLC 852 Broadway, Ste 300 Denver, CO 80203

Brian Kadlub 33714 Siasconset Rd Windsor, CO 80550

Carol Clevenger 33129 May Dr Windsor, CO 80550

Dan W. Tellinghuisen PO Box 387 Windsor, CO 80550

Diane E. Brunner 33050 May Dr Windsor, CO 80550

Ephraim T.E. Isaacs and Tori Isaacs, as JT 33491 County Rd 25 Greeley, CO 80631

Kadlub Family Farms, LLLP 309 Locust St Windsor, CO 80550

King Farms, LLC 21402 Friendly Bay Lane Nevis, MN 56467

Kristie A. Melendez, Beneficiary 800 3rd Street Windsor, CO 80550

Linda K. Manichanh and Meng Manichanh, JTs 2573 54th Ave Greeley, CO 80634

Lynn Merrill 6511 County Rd 60 Windsor, CO 80550

Nancy Hammers 6781 Clovis Ct Timnath, CO 80547

Patricia Ann Shader 2332 Binford St Laramie, WY 80272 Platte River Energy, LLC 852 Broadway, Ste 300 Denver, CO 80203

Richard Schlagel 36841 County Rd 21 Severance, CO 80550

Robert J. Walker Trust 33530 WRC 25 Greeley, CO 80631

Rodney L. Swanson and Patty J. Swanson 33034 May Dr Windsor, CO 80550

The Leland & Ruth Tigges Family Trust 3786 Hill Cir Colorado Springs, CO 80904

Timothy B. Kochert and Rhonda S. Kochert, as JT 33990 WRC 25 Greeley, CO 80631

Willard G. Owens and Linda Owens, JTs 3525 Diane Place Greeley, CO 80631

Alpha Energy Group LLC 245 E. 54th St, Ste 5M New York, NY 10022

Extraction Oil & Gas LLC 370 17th St, Ste 5300 Denver, CO 80202

Malu Lani Oil & Gas Company, Inc. PO Box 621128

Littleton, CO 80162 Robert C. Freymuller 2501 Dip Cove

Austin, TX 78704
WYOTEX Oil Company

PO Box 280969 Lakewood, CO 80228 Craig A. Kadlub

10387 Burensberg Ave Las Vegas, NV 89135

Leota Kennedy 501 Trailwood Windsor, CO 80550 Thomas E. Kadlub 1025 Highland Road Cleburne, TX 76033

Anadarko E&P Onshore LLC 1099 18th St, St3e 1800 Denver, CO 80202

Brooke Diane Ward PO Box 3275 West Wendover, NV 89883

vvest vvendover, nv 69663

Christine Kadlub Soloman 906 East Dona St Cheyenne, WY 82009

David Leonard Stromberger 11095 Highway 392 Windsor, CO 80550

Ed Orr 1813 61st Ave, Ste 200 Greeley, CO 80634

K. Douglas Kreykes and Jeannie L. Leonard, JT 33571 County Rd 25 Greeley, CO 80631

Kevin R. King and Debra M. King, JTs 21401 Friendly Bay Lane Nevis, MN 56467

Kirk A. Tellinghuisen 91 Pike Ln Severance, CO 80550

Leonard W. Scott and Kay Annette Scott, JTs 33093 May Dr Windsor, CO 80550

LK Farm LLC 33571 County Rd 25 Greeley, CO 80631

Marjorie J. Straube 33112 May Dr Windsor, CO 80550

NDIRA, Inc., fbo Joshua J. Wood Roth IRA 1070 W Century Dr, Ste 101 Louisville, CO 80027

Phillip C. Tigges and Barbara J. Tigges 33723 WCR 27 Greeley, CO 80631 Ray Berris, aka Ray Andrew Berris 33630 WCR 23 Windsor, CO 80550

Robert G. Schmidt and Loretta J. Schmidt, JTs 10509 W Tonopah Dr Peoria, AZ 85382

Robert M. Maffei and Mona A. Maffei 33657 WCR 25 Greeley, CO 80631

Stacey Kadlub 6423 County Rd 89 Roggen, CO 80652

Thomas E. Kadlub 1025 Highland Road Cleburne, TX 76033

Wild Oats Ranch, LLC 11508 WCR 70 Windsor, CO 80550

SRC Energy Inc. 1675 Broadway, Ste 2600 Denver, CO 80202

Aluma Energy, LLC 245 E. 54th St, Ste 5M New York, NY 10022

Green Oil Energy, LLC 245 E. 54th St, Ste 5M New York, NY 10022

Peter Hougaard PO Box 5423 Austin, TX 78763

Shoreline Energy Holdings II, Inc. 400 8th Ave. SW, Ste 209 Calgary, AB T2P 1B8

Barry W. Kadlub 309 Locust St Windsor, CO 80550

Christine Kadlub Solomon 906 East Dona St Cheyenne, WY 82009

Brooke Diane Ward PO Box 3275

West Wendover, NV 89883

Stacey Kadlub 6423 County Rd 89 Roggen, CO 80652