

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

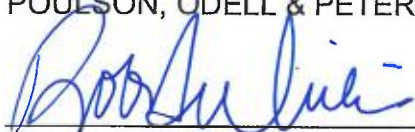
IN THE MATTER OF THE APPLICATION OF	)	
CONFLUENCE DJ LLC FOR AN ORDER TO,	)	CAUSE NO. 407
AMONG OTHER THINGS, ESTABLISH AN	)	
APPROXIMATE 640-ACRE DRILLING AND	)	DOCKET NO. 180700538
SPACING UNIT FOR THE N½ OF SECTIONS 5 & 6,	)	
TOWNSHIP 4 NORTH, RANGE 63 WEST, 6 <sup>TH</sup> P.M.,	)	TYPE: Spacing
AND AUTHORIZE THE DRILLING OF 12	)	
HORIZONTAL WELLS WITHIN THE UNIT, FOR	)	
PRODUCTION FROM THE CODELL AND	)	
NIOBRARA FORMATIONS, WATTENBERG FIELD,	)	
WELD COUNTY, COLORADO	)	

NOTICE OF WITHDRAWAL AND SUBSTITUTION OF COUNSEL

COMES NOW Confluence DJ LLC ("Confluence" or "Applicant"), by and through its undersigned attorneys, and hereby submits this Notice of Withdrawal and Substitution of Counsel, whereby Poulson, Odell & Peterson, LLC, law firm is substituted and replaces the Jost Energy Law, P.C., law firm as counsel for the Applicant. As of the date of this filing, Jost Energy Law, P.C., withdraws from its representation of the Applicant, and Poulson, Odell & Peterson, LLC, enters its appearance on behalf of the Applicant going forward.

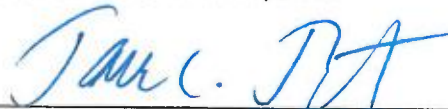
DATED this 6<sup>th</sup> day of July, 2018.

POULSON, ODELL & PETERSON, LLC



Robert A. Willis  
1775 Sherman Street, Suite 1400  
Denver, CO 80202  
(303) 861-4400  
[rwillis@popllc.com](mailto:rwillis@popllc.com)

JOST ENERGY LAW, P.C.



Jamie L. Jost  
Kelsey Wasylenky  
1401 17<sup>th</sup> Street, Suite 370  
Denver, CO 80202  
(720) 446-5620  
[jjost@jostenergylaw.com](mailto:jjost@jostenergylaw.com)  
[kwasylenky@jostenergylaw.com](mailto:kwasylenky@jostenergylaw.com)

CERTIFICATE OF SERVICE

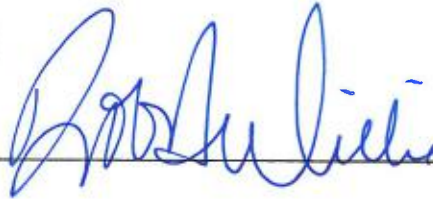
I hereby certify that on the <sup>11th</sup> 8<sup>th</sup> day of July, 2018, a true and correct copy of the foregoing *Notice of Withdrawal and Substitution of Counsel* was delivered, via email, to the following:

Jamie L. Jost  
Kelsey Wasylenky  
Jost Energy Law, P.C.  
1401 17th Street, Suite 370  
Denver, CO 80202  
(720) 446-5620  
jjost@jostenergylaw.com  
kwasylenky@jostenergylaw.com

An original and two copies of the foregoing *Notice of Withdrawal and Substitution of Counsel* were delivered, and the same was electronically filed, to the following on the foregoing date:

Margaret Humecki, Hearings Assistant  
Julie Prine, Hearings Manager  
Colorado Oil & Gas Conservation Commission  
1120 Lincoln Street, Suite 801  
Denver, CO 80203  
Email: [Margaret.Humecki@state.co.us](mailto:Margaret.Humecki@state.co.us)  
[Julie.Prine@state.co.us](mailto:Julie.Prine@state.co.us)

By: \_\_\_\_\_



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

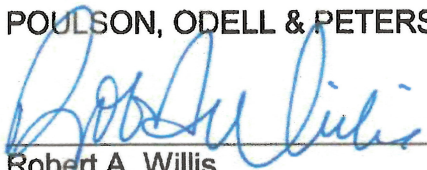
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NIOBRARA FORMATIONS, WATTENBERG FIELD,	)	
WELD COUNTY, COLORADO	)	

NOTICE OF WITHDRAWAL AND SUBSTITUTION OF COUNSEL

COMES NOW Confluence DJ LLC ("Confluence" or "Applicant"), by and through its undersigned attorneys, and hereby submits this Notice of Withdrawal and Substitution of Counsel, whereby The Hayes Law Firm LLC is substituted and replaces Poulson, Odell & Peterson, LLC, law firm as counsel for the Applicant. As of the date of this filing, Poulson, Odell & Peterson, LLC, withdraws from its representation of the Applicant, and The Hayes Law Firm LLC enters its appearance on behalf of the Applicant going forward.

DATED this 16<sup>th</sup> day of August, 2018.

POULSON, ODELL & PETERSON, LLC

  
Robert A. Willis  
1775 Sherman Street, Suite 1400  
Denver, CO 80203  
(303) 861-4400  
[rwillis@popllc.com](mailto:rwillis@popllc.com)

THE HAYES LAW FIRM LLC

  
Chris Hayes  
1580 Lincoln Street, Suite 1280  
Denver, CO 80203  
(720) 845-5021  
[chayes@hayeslawfirmllc.com](mailto:chayes@hayeslawfirmllc.com)

## CERTIFICATE OF SERVICE

I hereby certify that on the 16<sup>th</sup> day of August, 2018, a true and correct copy of the foregoing *Notice of Withdrawal and Substitution of Counsel* was delivered, via email, to the following:

Robert A. Willis  
Poulson, Odell & Peterson, LLC  
1775 Sherman Street, Suite 1400  
Denver, CO 80203  
(303) 861-4400  
[rwillis@popllc.com](mailto:rwillis@popllc.com)

An original and two copies of the foregoing *Notice of Withdrawal and Substitution of Counsel* were delivered, and the same was electronically filed, to the following on the foregoing date:

Margaret Humecki, Hearings Assistant  
Julie Prine, Hearings Manager  
Colorado Oil & Gas Conservation Commission  
1120 Lincoln Street, Suite 801  
Denver, CO 80203  
Email: [Margaret.Humecki@state.co.us](mailto:Margaret.Humecki@state.co.us)  
[Julie.Prine@state.co.us](mailto:Julie.Prine@state.co.us)

By: \_\_\_\_\_

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

IN THE MATTER OF AN APPLICATION BY  
CONFLUENCE DJ LLC FOR AN ORDER TO, AMONG  
OTHER THINGS, ESTABLISH AN APPROXIMATE  
640-ACRE DRILLING AND SPACING UNIT AND  
AUTHORIZE UP TO 12 WELLS FOR PRODUCTION  
FROM THE CODELL AND NIOBRARA FORMATIONS  
FOR THE N½ OF SECTIONS 5 AND 6, TOWNSHIP 4  
NORTH, RANGE 63 WEST, 6TH P.M., WATTENBERG  
FIELD, WELD COUNTY, COLORADO

CAUSE NO. 407

DOCKET NO. 180700 \_\_\_\_

TYPE: SPACING

**APPLICATION**

COMES NOW Confluence DJ LLC (Operator No. 10518) ("Confluence" 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 establish an approximate 640-acre drilling and spacing unit for the Application Lands (as defined below) and authorize up to 12 horizontal wells within the proposed unit, for the production of oil, gas, and associated hydrocarbons from the Codell and Niobrara Formations. In support of its Application, Applicant states and alleges as follows:

1. Confluence DJ LLC is a limited liability company duly authorized to conduct business in the State of Colorado and has registered as an operator with the Commission.

2. Applicant is an Owner and/or Operator, as defined by the Colorado Oil & Gas Conservation Act, C.R.S. § 34-60-101, *et seq*, and the 100 Series Commission Rules in all or a portion of the below-listed lands:

Township 4 North, Range 63 West, 6<sup>th</sup> P.M.

Section 5: N½

Section 6: N½

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

These lands are referred to as the "Application Lands." A map depicting the acreage comprising the Application Lands is attached hereto.

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 Cretaceous Age Formations from the base of the Dakota Formation to the surface. Rule 318A. supersedes all prior Commission drilling and spacing orders affecting well location and density requirements of Greater Wattenberg Area wells. On December 5, 2005, Rule 318A. was amended, among other things, 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, among other things, to address drilling of horizontal wells. The Application Lands are subject to certain aspects of this rule for horizontal wells drilled in the Niobrara and Codell Formations.

4. On April 28, 2014, the Commission entered Order No. 407-1008 which, among other things, pooled all interests in an approximate 480-acre designated wellbore spacing unit established for portions of the Application Lands to accommodate the Wetco Farms A-4-9MRLC Well (API No. 05-123-39024), for the development and operation of the Codell Formation. Order No. 407-1008 is wellbore specific and does not affect this Application.

5. On June 12, 2017, the Commission entered Order No. 407-2064 which, among other things, pooled all interests within an approximate 711-acre designated wellbore spacing unit established for portions of the Application Lands, for the development and operation of the Niobrara-Codell 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 CVR 5-63-32-6457B2B Well (API No. 05-123-44254). Order No. 407-2064 is wellbore specific and does not affect this Application.

6. The records of the Commission reflect that no horizontal wells are currently producing from the Codell or Niobrara Formations on the Application Lands.

7. The records of the Commission reflect that three (3) vertical wells and one (1) directional well are currently producing from the Codell and/or Niobrara Formations on the Application Lands: the Rothe #4-6 (API No. 05-123-12585) operated by Noble Energy, Inc., the Danks #3-6 (API No. 05-123-21717) operated by Noble Energy, Inc., the Baker #42-5 (API No. 05-123-21296) operated by PDC Energy, Inc., and the Carmin USX #CC05-17D (API No. 05-123-33511) operated by Noble Energy, Inc., which have been designated as wellbore spacing units under Rule 318.A. Applicant respectfully requests that the Rothe #4-6 (API No. 05-123-12585), the Danks #3-6 (API No. 05-123-21717), the Baker #42-5 (API No. 05-123-21296), and the Carmin USX #CC05-17D (API No. 05-123-33511) wells be excluded from the proposed 640-acre unit and continue to be allocated pursuant to Rule 318.A for purposes of payment of proceeds.

8. Applicant requests the Commission establish the Application Lands as a 640-acre drilling and spacing unit for the Codell and Niobrara Formations pursuant to Rule 503.b.(1) and §34-60-116(1), C.R.S. For the Application Lands, the proposed drilling unit is not smaller than the maximum area that can be economically and efficiently drained by the horizontal wells proposed to be drilled under this Application and completed in the Codell and Niobrara Formations.

9. Applicant requests it be authorized to drill and complete up to 12 horizontal wells in the drilling and spacing unit proposed for the Application Lands, for the production of oil, gas, and associated hydrocarbons from the Niobrara and Codell Formations, as necessary to economically and efficiently recover resources, while

minimizing surface impacts, creating efficiencies for drilling and production, increasing the ultimate recovery of the reserves, preventing waste, and protecting correlative rights.

10. Applicant requests that surface locations and setbacks for the Application Lands be as follows:

a. Any horizontal wells to be drilled under this Application for production from the Codell and Niobrara Formations will be drilled from the surface of the drilling unit, or on adjacent lands with consent of the landowner, from no more than one wellpad, unless an exception is granted by the Director.

b. The wellbores of any horizontal wells to be drilled under this Application may enter the Codell and Niobrara Formations anywhere within the unit, or on adjacent lands, without exception being granted by the Director.

c. For any permitted wells to be drilled under this Application for production from the Codell and Niobrara Formations, the treated intervals of the wells shall be not less than 150 feet from the treated interval of another well producing from the same formation, without exception being granted by the Director.

d. For any permitted wells to be drilled under this Application for production from the Codell and Niobrara Formations, the productive interval of any permitted well shall be located no closer than 460 feet from the unit boundary.

11. 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 oral order.

12. 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.

13. Confluence certifies that copies of this Application will be served to the interested parties within seven (7) days of the date hereof, as required by Rule 503.e.

WHEREFORE, Applicant respectfully 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 an order:

A. Establishing a 640-acre drilling and spacing unit for the below-described "Application Lands" and authorizing the drilling of up to 12 horizontal wells within the proposed unit, for the production of oil, gas and associated hydrocarbons from the Niobrara and Codell Formations:

Township 4 North, Range 63 West, 6<sup>th</sup> P.M.

Section 5: N½

Section 6: N½

B. Providing that the surface locations and setbacks for the Application Lands be as follows:

1. Any horizontal wells will be drilled from the surface of the drilling unit, or on adjacent lands with consent of the landowner, from no more than one wellpad, unless an exception is granted by the Director.

2. The wellbores of any horizontal wells may enter the Codell and Niobrara Formations anywhere within the unit, or on adjacent lands, without exception being granted by the Director.

3. The treated intervals of any horizontal wells shall be not less than 150 feet from the treated interval of another well producing from the same formation, without exception being granted by the Director.

4. The treated intervals of any horizontal wells shall be located no closer than 460 feet from the unit boundary.

C. Providing that relief granted under this Application be effective on oral order by the Commission, relying on the Applicant's desire to be bound by said oral order.

D. For such other findings and orders as the Commission may deem proper or advisable in the premises.

Dated: May 29<sup>th</sup>, 2018.



Respectfully submitted:

**Confluence DJ LLC**

By:



Jamie L. Jost  
Kelsey Wasylenky  
Jost Energy Law, P.C.  
Attorneys for Applicant  
1401 17<sup>th</sup> Street, Suite 370  
Denver, Colorado 80202  
(720) 446-5620  
[jjost@jostenergylaw.com](mailto:jjost@jostenergylaw.com)  
[kwasylenky@jostenergylaw.com](mailto:kwasylenky@jostenergylaw.com)

Applicant's Address:  
Confluence DJ LLC  
ATTN: Angela Mallon  
1001 17<sup>th</sup> Street, Suite 1250  
Denver, CO 80202

## VERIFICATION

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

William E. Nicas, of lawful age, being first duly sworn upon oath, deposes and says that he is a Senior Vice-President of Land and Business Development for Confluence DJ LLC, 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.

  
William E. Nicas

William E. Nicas  
Senior Vice President, Land & Business Development  
Confluence DJ LLC

Subscribed and sworn to before me this 24<sup>th</sup> day of May, 2018.

Witness my hand and official seal.

[SEAL]



My commission expires: 7-25-18

Carol L. Bickerton  
Notary Public

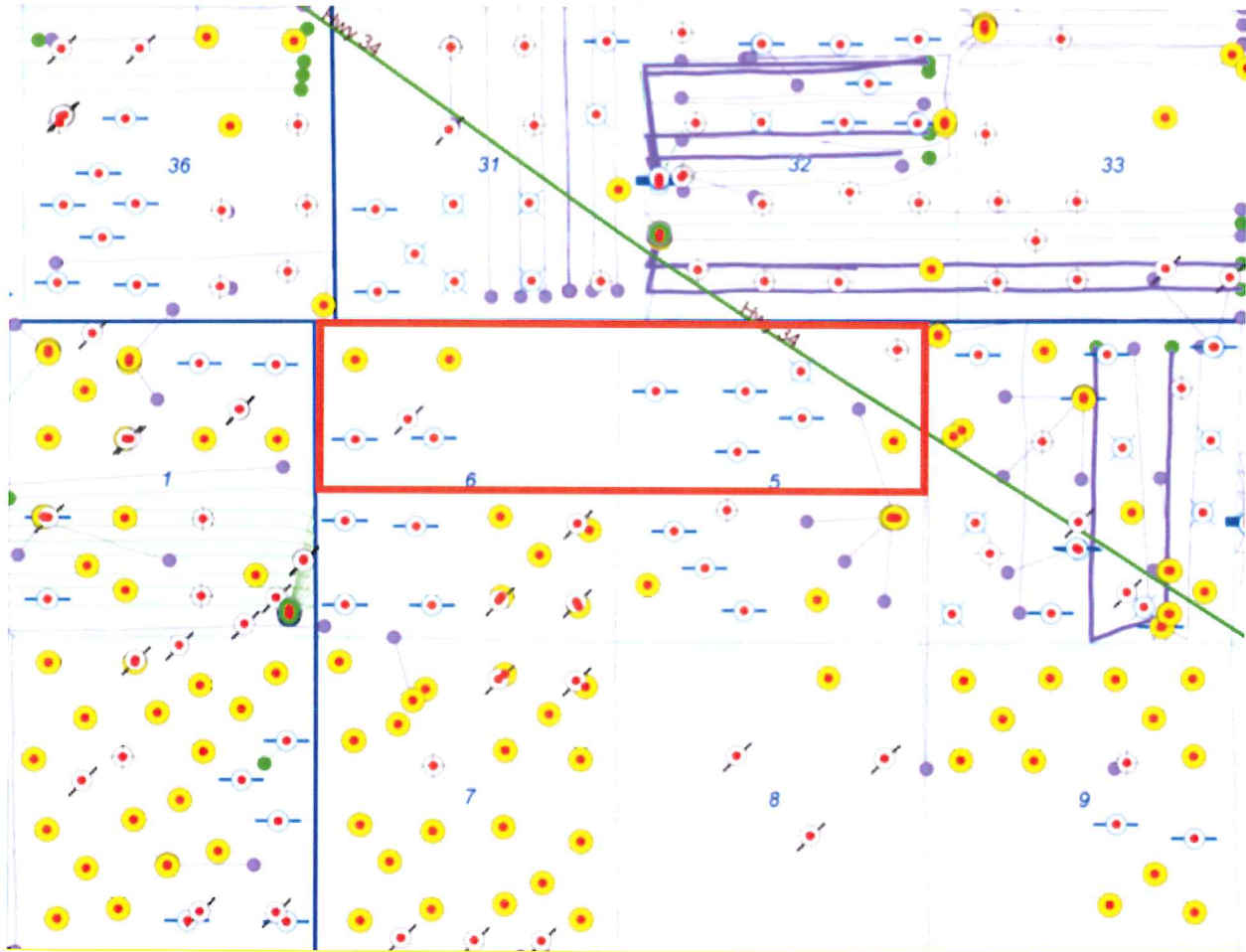
### Reference Map for Application

Township 4 North, Range 63 West, 6<sup>th</sup> P.M.

Section 5: N $\frac{1}{2}$

Section 6: N $\frac{1}{2}$

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



= Application Lands

IN THE MATTER OF AN APPLICATION BY  
CONFLUENCE DJ LLC FOR AN ORDER TO,  
AMONG OTHER THINGS, ESTABLISH AN  
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SPACING UNIT AND AUTHORIZE UP TO 12  
WELLS FOR PRODUCTION FROM THE  
CODELL AND NIOBRARA FORMATIONS FOR  
THE N½ OF SECTIONS 5 AND 6, TOWNSHIP  
4 NORTH, RANGE 63 WEST, 6TH P.M.,  
WATTENBERG FIELD, WELD COUNTY,  
COLORADO

TYPE: SPACING

**CHARLOTTE LAWLESS**  
**NOTARY PUBLIC**  
**STATE OF COLORADO**  
**NOTARY ID 20144023899**  
**MY COMMISSION EXPIRES JUNE 16, 2022**

## **EXHIBIT A**

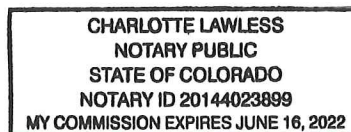
HighPoint Operating Corporation  
1099 18<sup>th</sup> Street, Suite 2300  
Denver, CO 80202

IN THE MATTER OF AN APPLICATION BY CONFLUENCE DJ LLC FOR AN ORDER TO, AMONG OTHER THINGS, ESTABLISH AN APPROXIMATE 640-ACRE DRILLING AND SPACING UNIT AND AUTHORIZE UP TO 12 WELLS FOR PRODUCTION FROM THE CODELL AND NIOBRARA FORMATIONS FOR THE N½ OF SECTIONS 5 AND 6, TOWNSHIP 4 NORTH, RANGE 63 WEST, 6TH P.M., WATTENBERG FIELD, WELD COUNTY, COLORADO	CAUSE NO. 407  DOCKET NO. 180700538  TYPE: SPACING
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STATE OF COLORADO )  
 )ss.  
CITY AND COUNTY OF DENVER )

Tamara L. Pitt

  
Notary Public





**Exhibit A**  
**SP 4N-63W 5-6 - Silverton**

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

Wildcat Energy, LLC  
245 E. 54th St.  
New York, NY 10022

PDC Energy, Inc.  
1775 Sherman Street, Suite 3000  
Denver , CO 80203

Marathon Oil Company  
5555 San Felipe Street  
Houston, TX 77056

Devon  
333 West Sheridan Avenue  
Oklahoma City, OK 73102

John W. Haefeli  
1446 43rd Ave.  
Greeley, CO 80634

Julia Ann Scott  
6756 S. Magnolia Court  
Centennial, CO 80112

Henry H. Gordon  
10858 E. Berry Place  
Englewood, CO 80111

Henry H. Gordon  
335 N High St  
Denver , CO 80218

Pro-Active Inv.  
4734 South Clayton Court  
Englewood, CO 80113

Michael D. Zeitlin Grantor Trust  
341 Steele Street  
Denver , CO 80206

Meagher Energy Advisors  
6040 Greenwood Plaza Blvd.  
Greenwood Village , CO 80111

Bonanza Creek Energy, Inc.  
410 17th Street, Suite 1400  
Denver , CO 80202

Confluence DJ LLC  
ATTN: Angela Mallon  
1001 17<sup>th</sup> Street, Suite 1250  
Denver, CO 80202

Kent Kuster  
Colorado Department of  
Public Health & Environment  
4300 Cherry Creek Drive South  
Denver, CO 80246-1530

Brandon Marette  
Energy Liaison  
Colorado Parks and Wildlife  
Northeast Regional Office  
6060 Broadway  
Denver, CO 80216

Troy Swain  
Weld County  
Department of Planning Services  
1555 N. 17th Ave.  
Greeley, CO 80631