

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

IN THE MATTER OF THE APPLICATION OF MALLARD
EXPLORATION, LLC, FOR AN ORDER TO ESTABLISH
AN APPROXIMATE 640-ACRE DRILLING AND
SPACING UNIT FOR THE N½ OF SECTIONS 17 & 18,
TOWNSHIP 7 NORTH, RANGE 63 WEST, 6TH P.M., AND
AUTHORIZE 8 HORIZONTAL WELLS WITHIN SAID
UNIT, FOR PRODUCTION FROM THE CODELL AND
NIOBRARA FORMATIONS, WATTENBERG FIELD,
WELD COUNTY, COLORADO

CAUSE NO. 407

DOCKET NO. 180700_____

TYPE: Spacing

APPLICATION

COMES NOW Mallard Exploration, LLC (“Mallard” or “Applicant”), Operator #10670, 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 establishing an approximate 640-acre drilling and spacing unit for the N½ of Sections 17 and 18,, Township 7 North, Range 63 West, 6th P.M., and authorize the drilling of 8 horizontal wells within the proposed unit, for production of oil, gas and associated hydrocarbons from the Codell and Niobrara Formations. In support of this verified application (“Application”), Applicant states and alleges as follows:

1. 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.

2. Applicant is 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 7 North, Range 63 West, 6th P.M.

Section 17: N½

Section 18: N½

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

Exhibit A, which depicts the Application Lands, is attached hereto.

3. On April 27, 1988, 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 (“GWA”) 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 Rule 318A for the Codell

and Niobrara Formations.

4. Applicant herein seeks the establishment of an approximate 640-acre drilling and spacing unit for the Application Lands, and the authority to drill 8 horizontal wells within the proposed unit, for production of oil, gas and associated hydrocarbons from the Codell and Niobrara Formations. The Codell and Niobrara Formations underlying the Application Lands are a common source of supply. Further, 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. Applicant herein requests the treated intervals of any horizontal well permitted under this Application should be located not less than 460 feet from proposed unit boundaries and not less than 150 feet from any other well producing or drilling from the Codell and Niobrara Formations, without exception being granted by the Director.

6. Applicant herein requests any permitted well drilled under this Application should be located: (1) on lands overlying the drilling and spacing unit from either inside a Rule 318A GWA drilling window or lands outside the GWA windows with landowner consent, absent exception granted by the Director, or (2) on lands outside the drilling and spacing unit with landowner consent, absent exception granted by the Director. Further, Applicant requests that permitted wells under this Application should be drilled from no more than two multi-well pads.

7. 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.

8. Applicant requests that relief granted as result of this Application should be effective on oral order by the Commission, and Applicant hereby agrees to be bound by the oral order of the Commission.

9. 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 B. The Applicant shall submit a certificate of service for the Application within seven days as required by Rule 503.e. accompanied by Exhibit B.

WHEREFORE, 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 authorizing the drilling of 8 horizontal wells within the proposed unit, for the production of oil, gas and associated hydrocarbons from the Codell and Niobrara Formations, with the treated interval of any horizontal well permitted under this Application located not less than 460 feet from unit boundaries and not less than 150 feet from any other well producing or drilling from the Codell and Niobrara Formations, without exception being granted by the Director.

B. Limiting the drilling of any permitted wells under this Application to no more than two multi-well pads either: (1) on lands overlying the drilling and spacing unit from either inside a Rule 318A GWA drilling window or lands outside the GWA windows with landowner consent, absent exception granted by the Director, or (2) on lands outside the drilling and spacing unit with landowner consent, absent exception granted by the Director.

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

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DATED May 30, 2018.

Respectfully submitted:

MALLARD EXPLORATION, LLC

By: _____

Robert A. Willis

Robert A. Willis (Colorado Bar #26308)
Poulson, Odell & Peterson, LLC
1775 Sherman Street, Suite 1400
Denver, CO 80203
(303) 861-4400 (main)
(303) 264-4418 (direct)
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Applicant's Address:

Mallard Exploration, LLC
ATTN: Jordan Mattson
1400 16th Street, Suite 300
Denver, CO 80202

VERIFICATION

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

Jordan Mattson, VP of Land for Mallard Exploration, LLC, upon oath deposes and says that he has read the foregoing Application and that the statements contained therein are true to the best of his knowledge, information and belief.

MALLARD EXPLORATION, LLC

Jordan Mattson

Jordan Mattson

Subscribed and sworn to before me this 30th day of May, 2018, by Jordan Mattson, VP of Land for Mallard Exploration, LLC.

Witness my hand and official seal.

My commission expires: 8/29/21

MADISON MAMAGHANI
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20174036078
COMMISSION EXPIRES AUG. 29, 2021

Mamaghani

Notary Public



**Application
Lands**

Township 7 North, Ranges 63 & 64 West, 6th P.M.

Exhibit A
Application Map

