

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

IN THE MATTER OF THE **AMENDED** ) Cause No. 535  
APPLICATION OF VERDAD RESOURCES, LLC )  
FOR AN ORDER ESTABLISHING AN ) Docket No. 180700566  
APPROXIMATE 1,280-ACRE DRILLING AND )  
SPACING UNIT, AND ESTABLISHING WELL ) Type: SPACING  
LOCATION RULES, FOR THE DRILLING OF )  
WELLS AND PRODUCING OF OIL, GAS, AND )  
ASSOCIATED HYDROCARBONS FROM THE )  
NIOBRARA, FORT HAYS, CODELL, AND )  
CARLILE FORMATIONS FOR CERTAIN LANDS )  
IN SECTIONS 8, 17, AND 20, TOWNSHIP 10 )  
NORTH, RANGE 61 WEST, 6TH P.M., )  
UNNAMED FIELD, WELD COUNTY, )  
COLORADO )

**AMENDED APPLICATION**

Verdad Resources, LLC, Operator No. 10651 (“Applicant” or “Verdad”), by and through 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 to establish an approximate 1,280-acre drilling and spacing unit and approve up to ~~four (4)~~ **eight (8)** horizontal wells within the unit, for the drilling of wells and producing of oil, gas and associated hydrocarbons from the Niobrara, Fort Hays, Codell, and Carlile Formations. In support of its **Amended** Application, Applicant states as follows:

1. Applicant is a limited liability company duly authorized to conduct business in Colorado.

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

Township 10 North, Range 61 West, 6th P.M.  
Section 8: S½  
Section 17: All  
Section 20: N½

Weld County, Colorado

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

3. Rule 318.a. of the Rules and Regulations of the Oil and Gas Conservation Commission requires that, on unspaced lands, wells drilled in excess of 2,500 feet in depth be

located not less than 600 feet from any lease line, and located not less than 1,200 feet from any other producible or drilling oil or gas well when drilling to the same common source of supply.

4. To promote efficient drainage, and to assist in preventing waste, Applicant requests that the Commission establish an approximate 1,280-acre drilling and spacing unit for following described Application Lands, and approve up to ~~four (4)~~ **eight (8)** horizontal wells within the unit, with the treated interval of any well within the unit located no closer than 600 feet from the unit boundary, and no closer than 150 feet from the treated interval of any other wellbore producing from the Niobrara, Fort Hays, Codell, and/or Carlile Formations, without exception being granted by the Director:

Township 10 North, Range 61 West, 6th P.M.

Section 8: S½

Section 17: All

Section 20: N½

5. Applicant requests authority to drill only those wells necessary to determine the well density which allows the most efficient drainage of the Niobrara, Fort Hays, Codell, and Carlile Formations, prevents waste, protects correlative rights, and assures the greatest ultimate recovery of oil, gas and associated hydrocarbon substances from the Application Lands.

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

7. Applicant states that the wells shall not be drilled and operated from more than four (4) surface locations within the unit or from legal locations on adjacent lands, unless an exception is granted by the Director.

8. 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 the original Application ~~shall be~~ **were** served on each interested party as required by Rule 503.e. Rule 507.b.(1), and Rule 507.c. **Applicant further certifies that all interested parties will be mailed notice of this Amended Application at least 35 days ahead of the 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.

Dated this \_\_\_\_ day of July, 2018.

Respectfully submitted,

WELBORN SULLIVAN MECK & TOOLEY, P.C.

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

Joseph C. Pierzchala  
Geoffrey W. Storm  
Welborn Sullivan Meck & Tooley, P.C.  
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Applicant's Address:

Verdad Resources LLC  
ATTN: Lemar Safi  
5950 Cedar Springs Road, Suite 200  
Dallas, TX 75235  
Phone: 214-838-2758

VERIFICATION

STATE OF TEXAS                     )  
  ) ss.  
COUNTY OF DALLAS                )

Lemar Safi, Landman for Verdad Resources LLC, upon oath deposes and says that he has read the foregoing **Amended** Application and that the statements contained therein are true to the best of his knowledge, information and belief.

VERDAD RESOURCES LLC

\_\_\_\_\_  
Lemar Safi

Subscribed and sworn to before me this \_\_\_\_\_ day of July, 2018, by Lemar Safi, Landman for Verdad Resources LLC.

Witness my hand and official seal.

\_\_\_\_\_  
Notary Public  
My Commission Expires: \_\_\_\_\_

**EXHIBIT A**

PARTIES ENTITLED TO NOTICE UNDER RULE 507.c.

**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

**Weld County**

Troy Swain  
Weld County  
Department of Planning Services  
1555 North 17<sup>th</sup> Ave.  
Greeley, CO 80631

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EXHIBIT A

INTERESTED PARTIES

Cathie McClain  
Centennial Mineral Holdings, LLC  
Charles F. Holley Jr.  
Charlotte E. Rudie, Trustee  
Clifford Holley  
Clifford Johnson  
Clinton Bashor  
David Andrew McClain  
David Bashor  
Diamond Resources CO  
Elizabeth Convery  
Janet J. May  
John P. Lafarge  
John Pearce  
Jose Baca  
Lawrence J. Shupe and Marjorie A. Shupe Revocable Living Trust UTA dated 12/2/1994  
Morning Gun Exploration, LLC  
Noble Energy WyCo, LLC  
Petro-Canada Resources (USA), Inc.  
R.V. Borchert Trust  
Spur Creek Royalty, Ltd  
Thomas Dorough Trust  
Verdad DJ North, LLC  
William Bashor