

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

IN THE MATTER OF THE APPLICATION OF
HIGHPOINT OPERATING CORPORATION
FOR AN ORDER TO AMEND ORDER NO. 421-
34 TO INCLUDE THE CODELL, CARLILE, AND
FORT HAYS FORMATIONS, TO APPROVE AN
ADDITIONAL SIX HORIZONTAL WELLS FOR
A TOTAL OF UP TO SIXTEEN (16) NEW
HORIZONTAL WELLS, AND TO APPROVE
REDUCED UNIT BOUNDARY SETBACKS OF
150 FEET FOR THE NIOBRARA AND FORT
HAYS FORMATIONS AND 300 FEET FOR THE
CODELL AND CARLILE FORMATIONS IN AN
APPROXIMATE 1,280-ACRE DRILLING AND
SPACING UNIT ESTABLISHED FOR
SECTIONS 21 AND 28, TOWNSHIP 10
NORTH, RANGE 62 WEST, 6TH P.M., FOR THE
PRODUCTION OF OIL, GAS AND
ASSOCIATED HYDROCARBONS FROM THE
CODELL, CARLILE, FORT HAYS AND
NIOBRARA FORMATIONS, HEREFORD
FIELD, WELD COUNTY, COLORADO

CAUSE NO. 421

DOCKET NO. 180700____

TYPE: SPACING

APPLICATION

HighPoint Operating Corporation (Operator No. 10071) ("HighPoint" or "Applicant"), by and through its attorneys, Jost Energy Law, P.C., respectfully submits this Application to the Oil and Gas Conservation Commission of the State of Colorado (the "Commission") for an order to amend Order No. 421-34 to 1) include the Codell, Carlile, and Fort Hays Formations; 2) approve an additional six (6) horizontal wells for a total of up to sixteen (16) new horizontal wells in the approximate 1,280-acre drilling and spacing unit, 3) provide that the productive interval of any horizontal well in the unit shall be no closer than 150 feet from the boundaries of the unit for the Niobrara and Fort Hays Formations and no closer than 300 feet from the unit boundaries of the unit for the Codell and Carlile Formations, with 150' inter-well setbacks from any wellbore within the unit, for an approximate 1,280-acre unit established for Sections 21 and 28, Township 10 North, Range 62 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Codell, Carlile, Fort Hays and Niobrara Formations underlying the below-described lands. In support of its Application, Applicant states and alleges as follows:

1. Applicant is a corporation duly organized and 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 as defined by the Colorado Oil and Gas Conservation Act and Commission Rules and owns leasehold interests or holds the right to operate on the following lands (hereafter "Application Lands"):

Township 10 North, Range 62 West, 6th P.M.

Section 21: All

Section 28: All

Weld County, Colorado, 1,280-acres, more or less.

A reference map of the Application Lands is attached 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. Sections 21 and 28, Township 10 North, Range 62 West, 6th P.M. is subject to this Rule for the Codell, Carlile, Fort Hays and Niobrara Formations.

4. On June 27, 2011, the Commission entered Order No. 535-28 which, among other things, established 52 approximate 640-acre drilling and spacing units, and approved one horizontal well within each unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation. Sections 21 and 28, Township 10 North, Range 62 West, 6th P.M. were subject to this Order for the Niobrara Formation.

5. On January 7, 2013, the Commission entered Order No. 421-34 which vacated two approximate 640-acre drilling and spacing units established by Order No. 535-28 for Sections 21 and 28, Township 10 North, Range 62 West, 6th P.M., and established an approximate 1280-acre stand-up exploratory drilling and spacing unit for Sections 21 and 28, Township 10 North, Range 62 West, 6th P.M., and approved up to ten wells within the unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation, with the bottomhole locations not less than 600 feet from the boundary of the proposed drilling unit and not less than 460 feet from any other well or treated interval of a well producing from the Niobrara Formation, without exception being granted by the Director.

6. The Commission records show that there are no horizontal, vertical or directional wells producing in the Application Lands. The Commission records show that there are two expired APDs for the Elk Creek 13-21H (API No. 05-123-33770) and Elk Creek 13-28H (API No. 05-123-33776) which expired on December 5, 2016.

7. To promote efficient drainage within the Codell, Carlile, Fort Hays and Niobrara Formations of the Application Lands, to protect correlative rights and to avoid waste, the Commission should amend Order No. 421-34 for Sections 21 and 28, Township 10 North, Range 62 West, 6th P.M. to 1) include the Codell, Carlile, and Fort

Hays Formations; 2) approve an additional six (6) horizontal wells for a total of up to sixteen (16) new horizontal wells in the approximate 1,280-acre drilling and spacing unit, for the production of oil, gas and associated hydrocarbons from the Codell, Carlile, Fort Hays and Niobrara Formations; and 3) provide that the productive interval of any horizontal well in the unit shall be no closer than 150 feet from the boundaries of the unit for the Niobrara and Fort Hays Formations and no closer than 300 feet from the unit boundaries for the Codell and Carlile Formations and 150' inter-well setbacks from any wellbore within the unit, for the production of oil, gas and associated hydrocarbons from the Codell, Carlile, Fort Hays and Niobrara Formations underlying the Application Lands.

7. The above-proposed amendments to the drilling and spacing unit will allow efficient drainage of the Codell, Carlile Fort Hays and Niobrara Formations, will prevent waste, will not adversely affect correlative rights and will assure the greatest ultimate recovery of gas and associated hydrocarbon substances from the reservoirs. The unit of the size and shape specified above is not smaller than the maximum area that can be economically and efficiently drained by the proposed wells in the unit.

8. The Applicant is requesting to drill and complete up to sixteen (16) new horizontal wells within the unit in order to efficiently and economically recover the oil, gas and associated hydrocarbons from the Codell, Carlile, Fort Hays and Niobrara Formations within the approximate 1,280-acre drilling and spacing unit composed of the Application Lands and that there will be no adverse effect on correlative rights of adjacent owners.

9. The Applicant maintains that the wells proposed for the development of the Application Lands will be drilled from no more than four well pads, unless an exception is granted by the Director.

10. The productive interval of each proposed horizontal well shall be no closer than 150 feet from the boundaries of the unit for the Niobrara and Fort Hays Formations and no closer than 300 feet from the unit boundaries for the Codell and Carlile Formations and all horizontal wells shall be no closer than 150 feet from the productive interval of any other well within the unit, unless an exception is granted by the Director.

11. The undersigned certifies that copies of this Application will be served on each interested party 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 on July 30-31, 2018, that notice be given as required by law, and that upon such hearing this Commission enter its order to:

A. Amend Order No. 421-34 to include the Codell, Carlile, and Fort Hays Formations for Sections 21 and 28, Township 10 North, Range 62 West, 6th P.M.;

B. Amend Order No. 421-34 to approve an additional six (6) horizontal wells for a total of up to sixteen (16) new horizontal wells in the approximate 1,280-acre unit, for the production of oil, gas and associated hydrocarbons from the Codell, Carlile, Fort

Hays and Niobrara Formations, for the production of oil, gas and associated hydrocarbons from the Codell, Carlile, Fort Hays and Niobrara Formations;

C. Amend Order No. 421-34 to provide that the productive interval of any horizontal well in the unit shall be no closer than 150 feet from the boundaries of the unit for the Niobrara and Fort Hays Formations and no closer than 300 feet from the unit boundaries for the Codell and Carlile Formations; and not less than 150 feet from the productive interval of any other wellbore within the unit, and authorizing a total of four well pads in the unit, unless an exception is granted by the Director;

D. Find that the approval of additional wells and reduced setbacks for the development of the Codell, Carlile, Fort Hays and Niobrara Formations on the Application Lands will prevent waste, protect correlative rights, and maximize the efficient and economic production of the Codell, Carlile, Fort Hays and Niobrara Formations on the Application Lands.

E. For such other findings and orders as the Commission may deem proper or advisable in this matter.

DATED May 31, 2018.

Respectfully submitted:

HighPoint Operating Corporation

By: 

Jamie L. Jost
Kelsey H. Wasylenky
Jost Energy Law, P.C.
Attorneys for Applicant
1401 17th Street, Suite 370
Denver, Colorado 80202
(720) 446-5620

Applicant's Address:
HighPoint Operating Corporation
ATTN: Teale Stone
1099 18th Street, Suite 2300
Denver, CO 80202

VERIFICATION

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

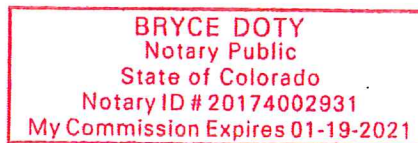
Teale Stone, of lawful age, being first duly sworn upon oath, deposes and says that he is a Landman for HighPoint Operating Corporation, and that he has read the foregoing Application and that the matters therein contained are true to the best of his knowledge, information and belief.

Teale Stone
Landman
HighPoint Operating Corporation

Subscribed and sworn to before me this 31st day of May, 2018.

Witness my hand and official seal.

[SEAL]

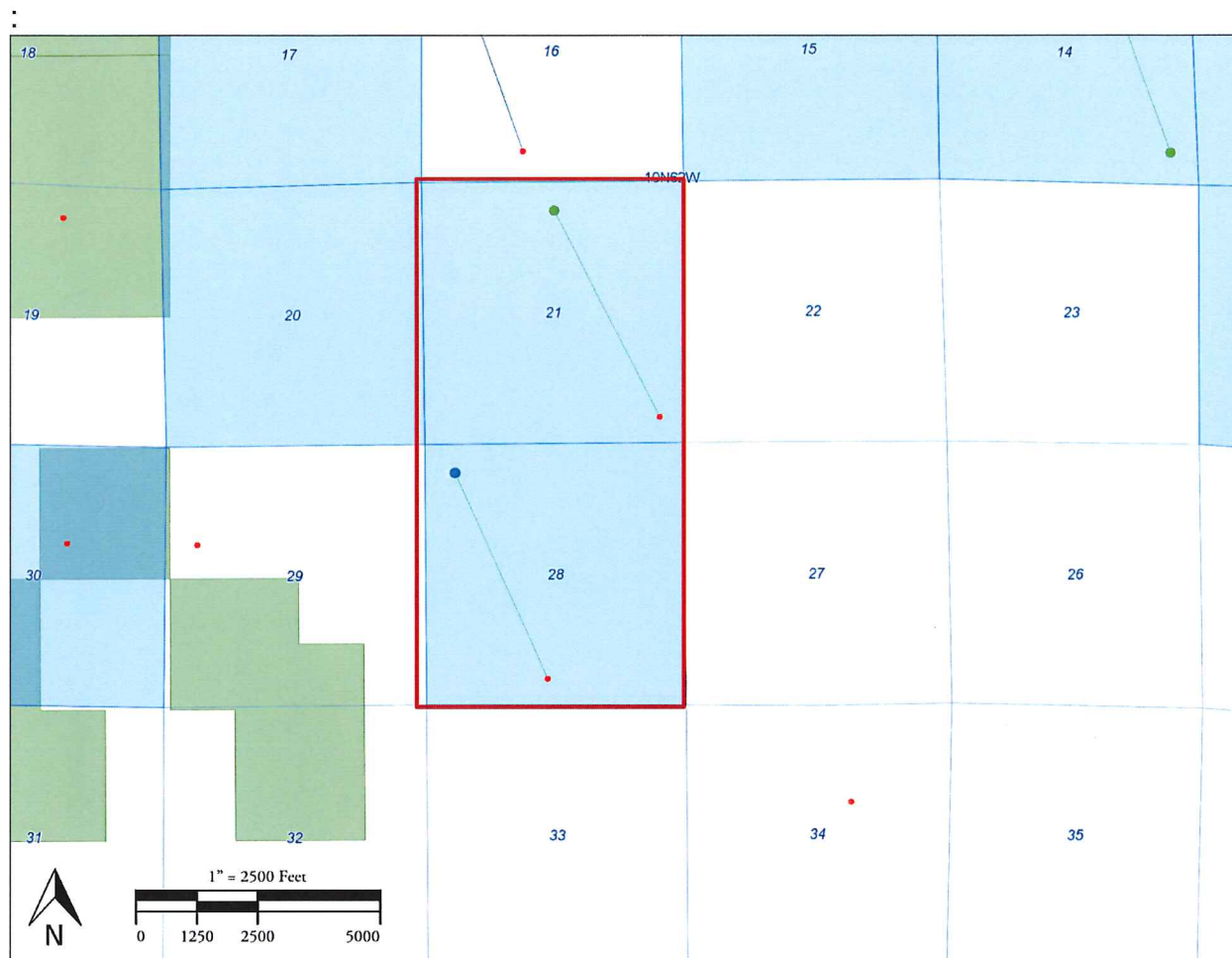


My commission expires: 1-19-2021

Notary Public

Reference Map

Sections 21 and 28, Township 10 North, Range 62 West, 6th P.M.



IN THE MATTER OF THE APPLICATION OF HIGHPOINT OPERATING CORPORATION FOR AN ORDER TO AMEND ORDER NO. 421-34 TO INCLUDE THE CODELL, CARLILE, AND FORT HAYS FORMATIONS, TO APPROVE AN ADDITIONAL SIX HORIZONTAL WELLS FOR A TOTAL OF UP TO SIXTEEN (16) NEW HORIZONTAL WELLS, AND TO APPROVE REDUCED UNIT BOUNDARY SETBACKS OF 150 FEET FOR THE NIOBRARA AND FORT HAYS FORMATIONS AND 300 FEET FOR THE CODELL AND CARLILE FORMATIONS IN AN APPROXIMATE 1,280-ACRE DRILLING AND SPACING UNIT ESTABLISHED FOR SECTIONS 21 AND 28, TOWNSHIP 10 NORTH, RANGE 62 WEST, 6TH P.M., FOR THE PRODUCTION OF OIL, GAS AND ASSOCIATED HYDROCARBONS FROM THE CODELL, CARLILE, FORT HAYS AND NIOBRARA FORMATIONS, HEREFORD 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 - SP - T10N-R62W Sec 21 & 28

8 North, LLC
1888 Sherman Street
Suite 200
Denver, CO 80203

Carrizo Oil & Gas, Inc.
1812 56th Avenue
Greeley, CO 80634

Cornerstone Energy, LLC
8952 Gander Valley Lane
Windsor, CO 80550

DJ Resources Ltd
1600 Broadway, Suite 1600
Denver, CO 80201

Haimo Oil & Gas, LLC
2901 Wilcrest Dr., Suite 285
Houston, TX 77042

HighPoint Operating Corporation
1099 18th Street
Suite 2300
Denver, CO 80202

IOCL USA Inc
500 Dallas Street, Suite 2300
Houston, TX 77002

Morning Gun Exploration, LLC
1601 Arapahoe Street, Box 1
Denver, CO 80202

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

OIL India USA Inc
500 Dallas Street, Suite 2300
Houston, TX 77002

Okreek Oil and Gas, LLC
475 17th Street, Suite 1350
Denver, CO 80202

Transcontinent Oil Company
518 17th Street, Suite 900
Denver, CO 80202

Verdad DJ North, LLC
5950 Cedar Spring Road, Suite 200
Dallas, TX 75235-6803

Brenda Lee Johnson
24630 Weld County Road 42
Kersey, CO 80644

Burnett Living Trust dated July 12, 2016
Frank R. Burnett and Sherry L. Burnett
as Trustees
55670 WCR 77
Grover, CO 80729

Charles R. and Juanita L. Phillips Living
Trust dated 10/15/1997
2510 E. Harmony Road, Suite 101
Fort Collins, CO 80528

Corey Austin Werner
2825 West 28th St., Apt. #5
Greeley, CO 80634
(2017, Reception #4355609)

Dallas D. Werner
Lisa Jo Werner
Derek Dean Werner
Shannon Nicole Werner
P. O. Box 22
Platteville, CO 80651
(2017, Reception #4355614)

David Allen Meyer
479 C Vancouver Road SE
Rio Rancho, NM 87124

David Holl
5226 Brookview Drive
Dallas, TX 75220

Dawn M. Arthur
3811 E. 122nd Avenue
Thornton, CO 80241

DDFS Partnership, LP
c/o GRP Energy, LP, 5956 Sherry Lane,
Suite 1221
Dallas, TX 75225

Denise Ellen Wehrer
2711 S. Acoma Street
Englewood, CO 80110

Don J. Shaw and K.R. Shaw
910 9th Avenue
Greeley, CO

Donald E. Roth
2830 S. Sherman Street
Englewood, CO 80113

Donald R. Fender and Delma D.
Fender.
19473 Barnes Circle
Sterling, CO 80751
(2010, Reception # 3684900)

Edna Mae Meyer
217 N. 42nd Avenue
Greeley, CO 80634

Edward E. Meyer
29975 West County Road 59
Greeley, CO 80631

Edwin George Meyer
217 N. 42nd Avenue
Greeley, CO 80634

Elmer John Meyer
c/o Mary Ann Meyer
342 Athena Ave.
Bernalillo, NM 87004

Estate of Dan Hamilton,
c/o Kent Hamilton
610 S Mission Ridge Ave, # 10
Colby, KS 67701

Estate of Helen Hickam
815 E. 9th Street
Spencer, IA 51301

Estate of Jonathan William Meyer,
C/O Betty Zitek Meyer
607 15th Avenue Court
Greeley, CO 80631

Estate of Jonathan William Meyer,
C/O Betty Zitek Meyer
35103 County Road 41
Eaton, CO 80605

Estate of Raymond H. Meyer
PO Box 254
Pierce, CO 80650

Freida Mae Meyer
209 3rd Street
Ault, CO 80610

Georgina Moncrief
4625 Venturi Lane
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Dallas, TX 75225

Hugh V. Whittemore
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Yoder, CO 80864

Jackie Lea Merrill
210 Eagle Ave
Mead, CO 80542
(2017, Reception #4355605)

Jackie Qualls
PO Box 31
Ratcliff, AR 72951

James M. Konig
57851 WCR 81
Grover, CO 80729

Janet F. Hetzel, FKA Janet F. Konig
37174 CR 124
Grover, CO 80729
(2018, Reception #4397697)

Janet F. Hetzel, FKA Janet F. Konig
37174 CR 124
Grover, CO 80729

Janet F. Konig
37174 CR 124
Grover, CO 80729

Janet K. Parker
9442 West Wesley Drive
Lakewood, Colorado 80227
(2013, Reception #3969293)

Jerry L. Burnett
P.O. Box 4
Hereford, CO 80732

Jessica Hoerner
4625 Venturi Lane
Fort Collins, CO

Jimmie Ray Meyer
217 N. 42nd Avenue
Greeley, CO 80634

Joel Meyer
4625 Venturi Lane
Fort Collins, CO

Joel W. Konig
37231 Highway 14
Briggsdale, CO 80611

Joel W. Konig and Marcy J. Konig, joint
tenants
37231 Highway 14
Briggsdale, CO 80611
(2018, Reception #4397697)

Jorge L. Arriesseca
6705 W. 21st Street Lane
Greeley, CO 80634

Joy Fraijo
4625 Venturi Lane
Fort Collins, CO

Kent L. Hamilton
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Apartment 10
Colby, KS 67701

Kevin R. Christner
114 Grove Street
Sterling, Colorado 80751
(2013, Reception #3969293)

Kim S. Barbour
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Greeley, CO 80634

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Grover, CO 80729

Kirk D. Whittemore
PO Box 11874
Pueblo, CO 81001

Konig Ranch, Inc.
57851 CR 81
Grover, CO 80729

Larry Roy Meyer
217 N. 42nd Avenue
Greeley, CO 80634

Leroy L. and Laretta C. Lambertson
Route 1, Box 53
Grover, CO 80729

Linda S. Smith
5304 Cope Street, Apartment #3
Anchorage, Alaska 99518
(2013, Reception #3969293)

Lisa Marie Meyer
PO Box 92793
Albuquerque, NM 87199

MAP2012-OK
c/o MAP Royalty, Inc., 101 N. Robinson,
Suite 1000
Oklahoma City, OK 73102

Marilyn J. Carmichael
PO Box 111
Husum, WA 98623

Mekusukey Oil Company LLC
PO Box 816
Wewoka, OK 74884

Melany J. Whittemore
3110-C Van Teylingen Drive
Colorado Springs, CO 80917

Melody A. Stout
319 Sycamore Ave
Eaton, CO 80615
(2017, Reception #4355621)

Michael D. Konig
58710 CR 81
Grover, CO 80729
(2018, Reception #4397697)

Michael D. Konig and Tina M. Konig,
joint tenants
58710 CR 81
Grover, CO 80729
(2018, Reception #4397697)

Mike's Oil Well LLC
108 Martinek Lane
Palmer, TX 75152

Nadeen Kay Klatt
104 Wycobe Court
Windsor, CO 80550

Randy C. Chapin & Kathy M. Chapin
38201 CR 114
Grover, CO 80729

Randy R. Schneider
13336 Cherry Circle
Thornton, CO 80241

Renee L. Johnson
107 Riney B. Way
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Richard and Judith Darst Trust UTA
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Bend, OR 97702

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Evans, CO

Royalty Asset Holdings, LP
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Dallas, TX 75225

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Loveland, CO 80537
(1988, Reception #23137302)

Ruthann and John Hybarger
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Baldwin Park, CA 91706

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Colby, KS 67701

Sandra Lynn Lugar
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Largo, FL 337710

Sandy Wood
309 Linden Oaks Drive
Ault, CO 80610

Shirley H. Bernhardt
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Greeley, CO 80634

Tara Mae Werner
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(2017, Reception #4355609)

Terese A. Whittemore-Dills
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Skipton, BD23SG, United Kingdom

Vern Meyer
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Fort Collins, CO

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James Preston PR
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Spencer, IA 51301

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Gilcrest, CO 80623

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Colby, KS 67701

Oasis Ranch, LLC
58351 Weld County Road 77
Grover, CO 80729

Sandra G. Harper
10 Plymouth Drive
Colby, KS 67701

Tamara K. Martin
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Dimmitt, TX 79027

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
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Greeley, CO 80631