## 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-TO REDUCE THE NUMBER HORIZONTAL WELLS TO SIXTEEN (16) AND REDUCE THE UNIT BOUNDARY SETBACKS TO 150 FEET FOR THE NIOBRARA AND FORT HAYS FORMATIONS AND 300 FEET FOR THE CODELL AND CARLILE **FORMATIONS WITHIN** APPROXIMATE 1,280-ACRE DRILLING AND **SPACING UNIT ESTABLISHED** FOR SECTIONS 11 AND 14, TOWNSHIP 10 NORTH, RANGE 62 WEST, 6<sup>TH</sup> 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. 421-110 to 1) reduce the number of wells from twenty-one (21) to a total of up to sixteen (16) horizontal wells within an approximate 1280-acre stand-up exploratory drilling and spacing unit established by Order No. 421-110 for Sections 11 and 14, Township 10 North, Range 62 West, 6<sup>th</sup> P.M.; and 2) 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, with 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 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 11: All Section 14: All

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

A reference map of the Application Lands is attached hereto.

- 3. On June 27, 2011, the Commission entered Order No. 535-28 which, among other things, established 52 approximate 640-acre drilling and spacing units for certain lands, including Sections 11 and 14, Township 10 North, Range 62 West, 6<sup>th</sup> P.M., and approved one horizontal well within each unit, for the production of oil, gas, and associated hydrocarbons from the Niobrara Formation, provided that the surface location for any permitted horizontal well shall be located anywhere in the designated drilling and spacing unit, and the treated interval of the wellbore shall be no closer than 600 feet from the boundaries of the drilling and spacing unit without exception being granted by the Director.
- 4. On March 19, 2018, the Commission entered Order No. 421-110 which, among other things, 1) vacated two approximate 640-acre drilling and spacing units established by Order No. 535-28 for Sections 11 and 14, Township 10 North, Range 62 West, 6<sup>th</sup> P.M, for the production of oil, gas, and associated hydrocarbons from the Niobrara Formation; and 2) established an approximate 1,280-acre drilling and spacing unit for Sections 11 and 14, Township 10 North, Range 62 West, 6<sup>th</sup> P.M. for the Codell, Fort Hays, Carlile, and Niobrara Formations, and approve up to six new horizontal wells, for the production of oil, gas, and associated hydrocarbons from the Codell, Fort Hays, and Carlile Formations, and approve up to 15 new horizontal wells, for the production of oil, gas, and associated hydrocarbons from the Niobrara Formation, productive interval of any wellbore will be located no closer than 300 feet from the unit boundaries, and no closer than 150 feet from the productive interval of any other wellbore within the unit, unless an exception is granted by the Director.
- 5. The Commission records show that there are no vertical, directional or horizontal wells in the Application Lands. There is one expired APD for the Elk Creek #10-14H (API No. 05-123-33332). The expired permit is held by EOG Resources Inc. and expired on December 15, 2016.
- 6. 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: 1) amend Order No. 421-110 to reduce the number of wells from twenty-one (21) to a total of up to sixteen (16) horizontal wells within the approximate 1280-acre stand-up exploratory drilling and spacing unit established by

Order No. 421-110 for Sections 11 and 14, Township 10 North, Range 62 West, 6<sup>th</sup> P.M., for the production of oil, gas and associated hydrocarbons from the Codell, Carlile, Fort Hays and Niobrara Formations; and 2) 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, with 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 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. 421-110 to reduce the number of wells from twenty-one (21) to a total of up to sixteen (16) horizontal wells within the approximate 1280-acre stand-up exploratory drilling and spacing unit established by Order No. 421-110 for Sections 11 and 14, Township 10 North, Range 62 West, 6<sup>th</sup> P.M., for the production of oil, gas and associated hydrocarbons from the Codell, Carlile, Fort Hays and Niobrara Formations;

- B. 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;
- C. Find that the sixteen (16) horizontal wells with the 1280-acre drilling and spacing unit 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.
- D. 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

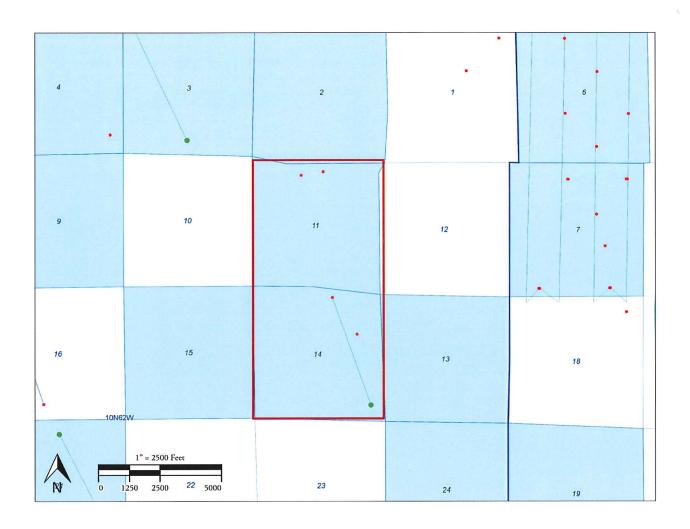
Denver, CO 80202

### **VERIFICATION**

STATE OF COLORADO	)
CITY AND COUNTY OF DENVER	) SS.
he is a Landman for HighPoint Operatin	first duly sworn upon oath, deposes and says that g Corporation, and that he has read the foregoing contained are true to the best of his knowledge,
	M
	Teale Stone Landman HighPoint Operating Corporation
Subscribed and sworn to before me this	<b>3</b> /1 day of May, 2018.
Witness my hand and official seal.	
[SEAL]	BRYCE DOTY Notary Public State of Colorado Notary ID # 20174002931 My Commission Expires 01-19-2021
My commission expires:	
Notary Public	-

Reference Map

Sections 11 and 14, Township 10 North, Range 62 West, 6<sup>th</sup> P.M.



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IN THE MATTER OF THE APPLICATION OF HIGHPOINT OPERATING CORPORATION FOR AN ORDER TO AMEND ORDER NO. 421-110 TO REDUCE THE NUMBER OF HORIZONTAL WELLS TO SIXTEEN (16) AND TO REDUCE THE UNIT BOUNDARY SETBACKS TO 150 FEET FOR THE NIOBRARA AND FORT HAYS FORMATIONS AND 300 FEET FOR THE CODELL AND CARLILE FORMATIONS WITHIN AN APPROXIMATE 1,280-ACRE DRILLING AND SPACING UNIT ESTABLISHED FOR SECTIONS 11 AND 14, TOWNSHIP 10 NORTH, RANGE 62 WEST, 6TH P.M., , FOR THE **PRODUCTION** OF OIL, GAS ASSOCIATED HYDROCARBONS FROM THE CODELL, CARLILE, **FORT** HAYS AND NIOBRARA FORMATIONS, HEREFORD FIELD, WELD COUNTY, COLORADO

CAUSE NO. 421

**DOCKET NO. 180700570** 

TYPE: SPACING

#### **AFFIDAVIT OF MAILING**

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

The undersigned, of lawful age, and being first duly sworn upon my oath, state and declare that I am the attorney for HighPoint Operating Corporation, and that on or before the 6<sup>th</sup> day of June, I caused a copy of the Application to be deposited in the United States Mail, postage prepaid, addressed to the parties listed on Exhibit A to this Affidavit.

Jamie L. Jost Kelsey H. Wasylenky

Subscribed and sworn to before me this 6<sup>th</sup> day of June, 2018.

Witness my hand and official seal.

KERRY LEBLEU

NOTARY PUBLIC

STATE OF COLORADO

NOTARY ID 19934018734

MY COMMISSION EXPIRES JULY 24, 2021

Notary Public

### Exhibit A HighPoint - SP Elk Creek DSU 11/14

8 North, LLC, a Delaware Limited Liability Company 370 17th Street, Suite 1350 Denver, CO 80202

Fifth Creek Energy Operating Company, LLC 5251 DTC Parkway, Suite 420 Greenwood Village, CO 80111

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

Centennial Mineral Holdings, LLC, a Texas Limited Liability Company 5950 Cedar Springs Road, Suite 200 Dallas, TX 75235

Michael D. Konig 57851 WCR 81 Grover, Colorado 80729

PeakStar Resources, LP P. O. Box 10017 Midland, TX 79702

Trevor S. Turmelle 17521 Arratia El Paso, TX 79938

Justin McClelland 505 La Fonda Dr Roswell, NM 88201

James M. Marbach 1762 Queen Highway Carlsbad, NM 88220

Brian Soens and Brynn Soens, as joint tenants PO Box 66285 Albuquerque, NM 87193 LeRoy Orville McClure c/o Linnie McClure Cary 18451 North Olga Drive Alva, FL 33920

LeRoy Orville McClure c/o McClure, LLC 70 Holt Road Highlands, NC 28741

Cheryl Welch Keyes 15971 Grasshopper Court Fort Myers, Florida 33912

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

Elena Gooch 1939 Bayview Drive Tierra Verde, Florida33715

Mountaintop Minerals, LLC 370 17th St., Ste 5300 Denver, CO 80202

William Clyde Bashor 57001 County Road 87 Grover, CO 80729

Clinton Neil Bashor 41455 WCR 106 Briggsdale, CO 80611

David Leslie Bashor 56971 WCR 87 Grover, CO 80729

Edward E. Meyer 35103 County Road 41 Eaton, CO 80615

Randy R. Schneider 15340 Fulton Street Brighton, CO 80602-5639 Denise Ellen Wehrer 2711 South Acoma Street Englewood, CO 80110

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

James Preston, Personal Representative of the Estate of Helen Hickam 815 E. 9th Street Spencer, IA 51301

Vern Meyer 4625 Venturi Lane Ft. Collins, CO 80525

Georgina Moncrief 4625 Venturi Lane Ft. Collins, CO 80525

Joel Meyer 4625 Venturi Lane Ft. Collins, CO 80525

Jessica Hoerner 4625 Venturi Lane Ft. Collins, CO 80525

Joy Fraijo 4625 Venturi Lane Ft. Collins, CO 80525

Elmer John Meyer c/o Edwin George Meyer 217 N. 42nd Avenue Greeley, CO 80634

Jackie Qualls P.O. Box 31 Ratcliff, AR 72951

Sandy Wood 309 Linden Oaks Drive Ault, CO 80610

Jonathan William Meyer c/o Betty L. Meyer 35103 County Road 41 Eaton, CO 80605 Jonathan William Meyer c/o Evelyn Meyer 607 15th Ave. Court Greeley, CO 80631

Jonathan William Meyer c/o Victoria Morris 508 35th Street Evans, CO 80620

Jonathan William Meyer c/o Robert Meyer 5921 5951 W 26th Street Greeley, CO 80634

Jonathan William Meyer c/o William Meyer 1876 Ramsey Lane Ramona, CA 92065

Freida Mae Meyer 209 3rd Street Ault, CO 80610

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

Raymond H. Meyer c/o Kevin McKenzie P.O. Box 254 Pierce, CO 80650

Kim S. Barbour 4535 W 14th Street Greeley, CO 80634

Larry Roy Meyer c/o Edwin George Meyer 217 N. 42nd Avenue Greeley, CO 80634

Edna Mae Meyer c/o Edwin George Meyer 217 N. 42nd Avenue Greeley, CO 80634

Jimmie Ray Meyer c/o Edwin George Meyer 217 N. 42nd Avenue Greeley, CO 80634 Brenda Lee Johnson 24630 Weld County Road 42 Kersey, CO 80644

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Richard S. Meyer 2900 47th Ave Greeley, CO 80634

Lisa Marie Meyer P.O. Box 92793 Albuquerque, NM 87199

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

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Kirk D. Whittemore P.O. Box 11874 Pueblo, CO 81001

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Ruthann Hybarger and John Hybarger 3703 Mayland Avenue Baldwin Park, CA 91706

Harry Meyer PO BOX 96 Johnstown, CO 80534

Forrest Fay Hamilton c/o Kent L. Hamilton 790 D'Lao Drive Apt 3 Goodland, KS 67735

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Shirley H. Bernhardt, by Kim S. Barbour, Conservator 4535 W. 14th Street Greeley, CO 80634 Larry Roy Meyer c/o George Meyer 217 N. 42nd Ave Greeley, CO 80634

Edna Mae Meyer c/o George Meyer 217 N. 42nd Ave Greeley, CO 80634

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Elmer John Meyer c/o Edwin George Meyer 217 N. 42nd Avenue Greeley, CO 80634 Jonathan William Meyer c/o Betty L. Meyer, widow 607 15th Avenue Court Greeley, CO 80631

Jonathan William Meyer c/o Betty L. Meyer, widow 35103 County Road 41 Eaton, CO 80605

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Jonathan William Meyer c/o Victoria Morris 508 35th Street Evans, CO 80620

Jonathan William Meyer c/o Chuck Meyer 700 61st Ave. Greeley, CO 80634

Jonathan William Meyer c/o Chuck Meyer 2734 25th Street Greeley, CO 80634

Virginia P. Lower 3506 Newland Avenue Wheatridge, CO 80033

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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 North 17<sup>th</sup> Avenue Greeley, CO 80631