

**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 VACATE THE 640-ACRE
UNIT ESTABLISHED BY ORDER NO. 421-3
FOR SECTION 22, TOWNSHIP 11 NORTH,
RANGE 64 WEST, 6TH P.M., ESTABLISH AN
APPROXIMATE 1,280-ACRE DRILLING AND
SPACING UNIT FOR SECTIONS 22 AND 27,
TOWNSHIP 11 NORTH, RANGE 64 WEST, 6TH
P.M., APPROVE UP TO SIXTEEN (16) NEW
HORIZONTAL WELLS WITHIN THE UNIT, AND
APPROVE REDUCED BOUNDARY
SETBACKS OF 150 FEET FOR THE
NIOBRARA AND FORT HAYS FORMATIONS,
AND 300 FEET FOR THE CODELL AND
CARLILE FORMATIONS, 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: 1) vacate the approximate 640-acre drilling and spacing unit established by Order No. 421-3 for Section 22, Township 11 North, Range 64 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Niobrara Formation; 2) establish an approximate 1,280-acre drilling and spacing unit for Sections 22 and 27, Township 11 North, Range 64 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Codell, Carlile, Fort Hays and Niobrara Formations; 3) approve up to sixteen (16) new horizontal wells in the approximate 1,280-acre unit; and 4) 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 11 North, Range 64 West, 6th P.M.

Section 22: All

Section 27: 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. Section 27, Township 11 North, Range 64 West, 6th P.M. is subject to this Rule for the Codell, Carlile, Fort Hays and Niobrara Formations. Section 22, Township 11 North, Range 64 West, 6th P.M. is subject to this Rule for the Codell, Carlile, and Fort Hays Formations.

4. On October 21, 2010, the Commission entered Order No. 421-3 which established eighty-three (83) approximate 640-acre drilling and spacing units for certain lands in Townships 10, 11, and 12 North, Ranges 61, 62, 63, and 64 West, 6th P.M. (more particularly described below), for the production of oil and gas and associated hydrocarbons from the Niobrara Formation, and allow one horizontal well in each of the units, with the horizontal leg and terminus of the wellbore located not closer than 600 feet from the boundaries of the unit. Section 22, Township 11 North, Range 64 West, 6th P.M. is subject to this Rule for the Niobrara Formation.

5. The Commission records show that there are no vertical, directional, or horizontal wells in the Application Lands.

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) vacate an approximate 640-acre drilling and spacing unit established by Order No. 421-3 for Section 22, Township 11 North, Range 64 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Niobrara Formation; 2) establish an approximate 1,280-acre stand-up drilling and spacing unit for Sections 22 and 27, Township 11 North, Range 64 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Codell, Carlile, Fort Hays and Niobrara Formations; 3) approve 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; and 4) 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 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 Fort Hays and Niobrara Formations, and no closer than 300 feet from the boundaries of the unit 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. Vacate the approximate 640-acre drilling and spacing unit established by Order No. 421-3 for Section 22, Township 11 North, Range 64 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Niobrara Formation;

B. Establish an approximate 1,280-acre stand-up drilling and spacing unit for Sections 22 and 27, Township 11 North, Range 64 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Codell, Carlile, Fort Hays and Niobrara Formations; and approve 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;

C. 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 an approximate 1,280-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.

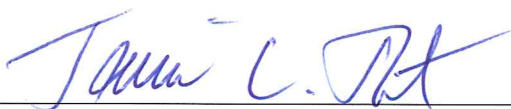
F. For such other findings and orders as the Commission may deem proper or advisable in this matter.

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: Bryce Doty
1099 18th Street, Suite 2300
Denver, CO 80202

VERIFICATION

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

Bryce Doty, 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.


Bryce Doty
Landman
HighPoint Operating Corporation

Subscribed and sworn to before me this 30th day of May, 2018.

Witness my hand and official seal.

[SEAL]

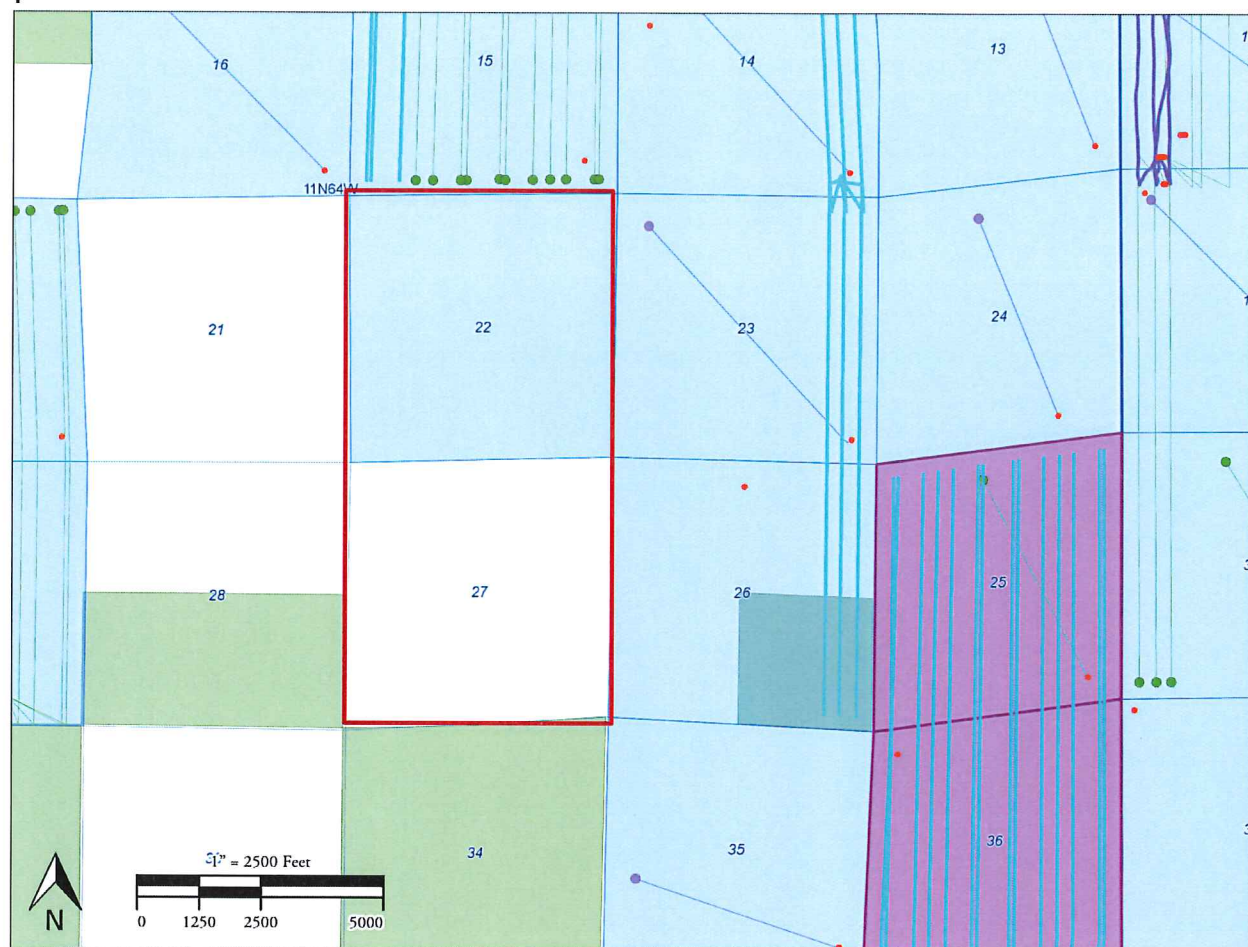


My commission expires: March 5, 2022

Michelle Poitra
Notary Public

Reference Map

Sections 22 and 27, Township 11 North, Range 64 West, 6th P.M.



IN THE MATTER OF THE APPLICATION OF HIGHPOINT OPERATING CORPORATION FOR AN ORDER TO VACATE THE 640-ACRE UNIT ESTABLISHED BY ORDER NO. 421-3 FOR SECTION 22, TOWNSHIP 11 NORTH, RANGE 64 WEST, 6TH P.M., ESTABLISH AN APPROXIMATE 1,280-ACRE DRILLING AND SPACING UNIT FOR SECTIONS 22 AND 27, TOWNSHIP 11 NORTH, RANGE 64 WEST, 6TH P.M., APPROVE UP TO SIXTEEN (16) NEW HORIZONTAL WELLS WITHIN THE UNIT, AND APPROVE REDUCED BOUNDARY SETBACKS OF 150 FEET FOR THE NIOBRARA AND FORT HAYS FORMATIONS, AND 300 FEET FOR THE CODELL AND CARLILE FORMATIONS, 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 - T11N-R64W Sec 22 & 27

Antelope Energy Co, LLC
1801 Broadway, Suite 1550
Denver, CO 80202

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

Clear Creek Resource Partners
Holdings, LLC
717 17th St.
Suite 1525
Denver, CO 80202

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

Jamestown Resources, LLC
PO Box 18756
Oklahoma City, OK 73154

Upland Exploration
424 South Main Street
Boeme, TX 78006

Paul E. Himerlrich Revocable Trust
Dated June 17th, 1998
2818 Eastern Road
Norton, OH 44203

Anadarko Land Corp
1099 18th
Suite 1800
Denver, CO 80202

Bureau of Land Management
Attn: Oil & Gas
2850 Youngfield Street
Lakewood, Colorado 80215

Paul E. Himerlrich Revocable Trust
Dated June 17th, 1998
2818 Eastern Road
Norton, OH 44203

Salt Ranch LLC, a Wyoming limited
liability company
26995 CR 122
Grover, CO

Sandra K. Himerlrich Revocable Trust
Dated June 17th, 1998
2818 Eastern Road
Norton, OH 44203

Gerry A Beckley and Mary Alan
Beckley, Trustess of the Beckley Living
Trust dated March 29, 2002
4022 Elizabeth Lane
Fairfax, VA 22032

Wiggin Living Revocable Trust dated
December 12, 2001
63709 County Road 59
Grover, CO 80729

Lincoln Energy Partners II, LLC
852 Broadway, Suite 300
Denver, CO 80203

Janice Andrews
PO Box 21
Larwill, IN 46764

Nancy L. Rinehart
2641 North Dunn Street
Bloomington, IN 47408

TRP Minerals, LLC
4545 Post Oak Place, Suite 240
Houston, TX 77027

Lisa Ann Smith
414 North Spruce Street
Colorado Spring, CO 80905

Sally Lynne Eisentraut
414 North Spruce Street
Colorado Spring, CO 80905

Brian Farrington
3780 High Green Drive
Marietta, GA

Beckley Living Trust, dated March 29,
2002
4022 Elizabeth Lane
Fairfax, VA 22032

Audrey E. Tibbetts
PO Box 296
Jamestown, CA 95327

State of Colorado, State Board of Land
Commissioners
1127 Sherman St. #300
Denver, CO 80203

Marilynn Margaret Stabel
14234 W. Parkland Drive
Sun City West, AZ 85375

Lorenz Family Trust
8331 Barkley Drive
Lincoln, NE 68516

Meador Ranch, Inc.
65009 WCR 67
Grover, CO 80729

Magnolia Minerals Trust, LLC
1660 17th Street, Suite 325
Denver, CO 80202

Edward B. O'Hara Irrevocable Trust UA
dated June 3, 1993
10011 W. Wesley Drive
Lakewood, CO 80227

Hobe Minerals Limited Liability
Company
7475 Highland Drive
Lakewood, CO 80214

James Zachry Turner
4260 S. Bellaire Circle
Englewood, CO 80113

Gregory Todd Goodwine
95 Bent Creek Drive
Elizabethtown, KY 42701

William Troy Goodwine
19525 County Road 76
Eaton, CO 80615

Terrance J. Goodwine
61988 Weld County Road 57
Grover, CO 80729

Steven E. Anderson
25230 CR 122
Grover, CO 80729

Edward B. O'Hara Irrevocable Trust UA
dated June 3, 1993
10011 W. Wesley Drive
Lakewood, CO 80227

Troy Swain Weld County Department of
Planning Services
1555 North 17th Avenue
Greeley, CO 80631

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

