

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

IN THE MATTER OF THE APPLICATION) CAUSE NO.
OF THE PROMULGATION AND)
ESTABLISHMENT OF FIELD RULES TO) DOCKET NO.
GOVERN OPERATIONS FOR THE)
CODELL FORMATION, WATTENBERG) TYPE: POOLING
FIELD, WELD COUNTY, COLORADO)

APPLICATION

PDC Energy, Inc. (Operator No. 69175) ("PDC"), by and through its attorneys, Burns, Figa, & Will, P.C., respectfully submits this Application to the Oil and Gas Conservation Commission of the State of Colorado (the "Commission") for an order pooling all interests within an approximate 400-acre Wellbore Spacing Unit, as further defined below, for the drilling of the J Clark 1C Well (API No. 05-123-46688) ("Well"), for the development of the Codell Formation on the following described lands:

Township 5 North, Range 65 West, 6th P.M.

Section 10: E $\frac{1}{2}$ E $\frac{1}{2}$

Section 11: W $\frac{1}{2}$ W $\frac{1}{2}$

Section 14: NW $\frac{1}{4}$ NW $\frac{1}{4}$

Section 15: NE $\frac{1}{4}$ NE $\frac{1}{4}$

Weld County, Colorado, containing approximately 400.00 acres
("Application Lands")

In support of its Application, PDC states and alleges as follows:

1. PDC is a corporation duly authorized to do business in Colorado and is registered as an operator in good standing with the Commission.

2. PDC is an Owner with the right to drill into and produce from the Application Lands.

3. On April 27, 1998, 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 of the 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 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 E $\frac{1}{2}$ E $\frac{1}{2}$ of Section 10, W $\frac{1}{2}$ W $\frac{1}{2}$ of Section 11, NW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 14, and NE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 15, Township 5 North, Range 65 West, 6th P.M., are subject to Rule 318A for the Codell Formation.

4. On February 19, 1992, the Commission entered Order No. 407-87 (amended August 20, 1993) which, among other things, established 80-acre drilling and spacing units for the production of oil, gas, and associated hydrocarbons from the Codell-Niobrara Formations, the Codell Formation, and the Niobrara Formation underlying certain lands, including the E $\frac{1}{2}$ E $\frac{1}{2}$ of Section 10, W $\frac{1}{2}$ W $\frac{1}{2}$ of Section 11, NW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 14, and the NE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 15, Township 5 North, Range 65 West, 6th P.M., with the permitted well locations in accordance with the provisions of Order 407-1.

5. On April 29, 2016, the Commission entered Order No. 407-1682, which, among other things, pooled all non-consenting interests in two approximate 240-acre wellbore spacing units for the N $\frac{1}{2}$ SE $\frac{1}{4}$ of Section 9 and the N $\frac{1}{2}$ S $\frac{1}{2}$ of Section 10, Township 5 North, Range 65 West, 6th P.M., for the Arellano M-10-9HC Well (API No. 05-123-41107), from the Codell Formation, and the S $\frac{1}{2}$ SE $\frac{1}{4}$ of Section 9 and the S $\frac{1}{2}$ S $\frac{1}{2}$ of Section 10, Township 5 North, Range 65 West, 6th P.M., for the Arellano R-10-9HC Well (API No. 05-123-41105), from the Codell Formation. Order No. 407-1682 is not affected by this Application, and proceeds from any shared lands will be accounted for in the production of the Well.

6. On June 21, 2016, the Commission entered Order No. 407-1739, which, among other things, pooled all non-consenting interests in three approximate 560-acre wellbore spacing units for the S $\frac{1}{2}$ SE $\frac{1}{4}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 9, S $\frac{1}{2}$ S $\frac{1}{2}$ of Section 10, N $\frac{1}{2}$ N $\frac{1}{2}$ of Section 15, and the N $\frac{1}{2}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 16, Township 5 North, Range 65 West, 6th P.M., for the Carlson B-15-16HC Well (API No. 05-123-41710), from the Codell Formation, and for the N $\frac{1}{2}$ of Section 15 and the NE $\frac{1}{4}$, E $\frac{1}{2}$ NW $\frac{1}{4}$ of Section 16, Township 5 North, Range 65 West, 6th P.M., for the Carlson E-15-16HC Well (API No. 05-123-41713), from the Codell Formation, and for the Carlson H-15-16HC Well (API No. 05-123-41717), from the Codell Formation. Order No. 407-1739 is not affected by this Application, and proceeds from any shared lands will be accounted for in the production of the Well.

7. PDC designated an approximate 400-acre Wellbore Spacing Unit for the production of oil, gas, and associated hydrocarbons from the Codell Formation as provided by Rule 318A and notified the appropriate parties under Rule 318A.

8. Under the provisions of Rule 530 and C.R.S. § 34-60-116(6)–(7), PDC requests an order pooling all interests, including non-consenting interests and the ability to drill through all tracts, in the Application Lands for the development of the Codell Formation underlying an approximate 400-acre Wellbore Spacing Unit for the J Clark 1C Well (API No. 05-123-46688):

Township 5 North, Range 65 West, 6th P.M.

Section 10: E $\frac{1}{2}$ E $\frac{1}{2}$

Section 11: W $\frac{1}{2}$ W $\frac{1}{2}$

Section 14: NW $\frac{1}{4}$ NW $\frac{1}{4}$

Section 15: NE $\frac{1}{4}$ NE $\frac{1}{4}$

Weld County, Colorado (“Wellbore Spacing Unit” in this Application)

9. PDC requests that the Commission's pooling order be made effective as of the earlier date of this Application, or the date that the costs specified in C.R.S. § 34-60-116(7)(b)(II) are first incurred for the drilling of the J Clark 1C Well to the Codell Formation on the Application Lands.

10. PDC certifies that copies of this Application will be served on all owners of the mineral estate, as indicated and required by Rule 507.b(2), underlying the tracts of the Application Lands to be pooled within seven (7) days of the date hereof, and that at least thirty-five (35) days prior to the hearing on this matter, each such interest owner not already leased or voluntarily pooled will be offered the opportunity to lease, or to participate in the drilling of the Well, and will be provided with the information required by Rule 530. The list of such Interested Parties, with all known parties to be pooled, is attached as Exhibit A.

11. In order to prevent waste and to protect correlative rights, all interests and tracts in the Wellbore Spacing Unit should be pooled for the orderly drilling and development of the Codell Formation.

WHEREFORE, PDC respectfully requests that this matter be set for hearing at the next available opportunity, that notice be given as required by law, and that the Commission enter an Order:

- A. Pooling all interests in the Application Lands and the Wellbore Spacing Unit for the development of the Codell Formation;
- B. Providing that the Commission's pooling order is made effective as of the earlier date of the Application, or the date that the costs specified in C.R.S. § 34-60-116(7)(b)(II) are first incurred for the drilling of the J Clark 1C Well in the Wellbore Spacing Unit to the Codell Formation on the Application Lands;
- C. Providing that the interests of any owners with whom PDC has been unable to secure a lease, other agreement to participate in the drilling of the authorized well(s), or those who consented to be pooled are pooled by operation of statute, pursuant to C.R.S. § 34-60-116(7), and made subject to the cost recovery provisions thereof with respect to the J Clark 1C Well drilled to develop the Codell Formation in the Wellbore Spacing Unit comprised of the Application Lands; and
- D. Providing for such other findings and order as the Commission may deem proper or advisable in this matter.

[SIGNATURE PAGE FOLLOWS]

DATED this 31st day of May, 2018.

Respectfully submitted,

PDC ENERGY, INC.

By: 

Michael T. Jewell, Esq. #40902

Courtney M. Shephard, Esq. #47668

Burns, Figa & Will, P.C.

6400 S. Fiddler's Green Circle – Suite 1000

Greenwood Village, CO 80111

PDC Energy, Inc.
Mr. Daniel R. McCoy
1775 Sherman Street - Suite 3000
Denver, CO 80203

VERIFICATION

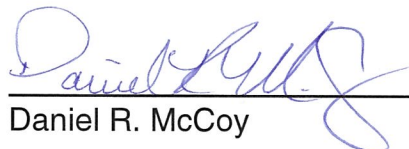
STATE OF COLORADO)
)
COUNTY OF DENVER) ss.

The undersigned, of lawful age, having been first sworn upon his oath, deposes and states that:

1. He is a Regional Landman – PDC Energy, Inc., which address is 1775 Sherman Street, Suite 3000, Denver, CO 80203.

2. He has read the attached application for the J Clark 1C Well, is familiar with the facts set forth therein, and states that said facts are true and correct to the best of his knowledge and belief.

Further Affiant sayeth not.



Daniel R. McCoy

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

Witness my hand and official seal.

My commission expires: 3/5/2022

TRACIE OWENS-YATES
Notary Public
State of Colorado
Notary ID # 20054039521
My Commission Expires 03-05-2022

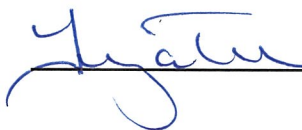


EXHIBIT A

Interested Parties

J Clark 1C Well

“*” denotes the interested parties that may be subject to the statutory cost recovery provisions of C.R.S. § 34-60-116.

PDC Energy, Inc.
Extraction Oil & Gas, Inc.*
Arlo Richardson*
Evertson Well Service, Inc.*
Audrey Anderson*
Gari Lee Dillion*
Heirs or Devisees of Mable Gibble*
Jeannine McArthur*
Mountaintop Minerals*
Othol E. Ware*
Alonzo Carrasco and Janie Carrasco, as joint tenants
American Minerals Group, LLC
American Minerals II LLC
Anthony S. Rogers
Barbara Ann Cook
Bettie Miller
Bettie Shepherd
Black Knife Minerals, LLC
Bobby Arellano and Patty J. Arellano, as tenants in common
Bradley Fossett
Bruce Duell
Cade Oil & Gas, LLC
Charles Bonertz
Charles K. Getting and Vicki M. Getting
Cheryl J. Mulloy
Chiderbri Minerals L.P.
Clayton L. Vandergriff and John Herpers and Kristen Herpers, Joint Tenants
Corwin L. Carlson and Katherine J. Carlson, joint tenants
Craig D. Smith and Danielle M. Smith
Cynthia D. Rodriguez
Cynthia Spurlock
D.P.G. Bird Farm, Inc.
DC Heritage Trust
De Soto Royalty Company, LLC

Debi Goble
Deep Pool Holdings LLC
Deerfield Properties, LLC
Delmar Eugene Scholfield and Mary Lou Scholfield, joint tenants
Destiny Barber
Diane M. Pick
Donna Steinmetz
Donovan Barber
DOXA Heritage Trust
DuWayne Lee Schmunk
Elaine Petrie
Elizabeth Smith
Eloise Kleving
Fortino Aldana, Sr., and Fortino Aldana, Jr., as joint tenants
Frank Stanley Davis
Gary Eugene Schmunk
Genaro Nunez and Rosa Maria Vega de Nunez, as joint tenants
Genaro Nunez and Rosa Maria Vega de Nunez, as tenants in common
Glenn H. Felderhoff
Harold Bonertz
Harvey E. Cozzens Heritage Trust
Helen Crews
Herbert Lorenz
HL American Oil and Gas LLC
Imogene Reifenrath
Incline Niobrara Partners, LP
Irene Duell
Irene M. Luster
Ironhorse Exploration Partners, LLC
J. Wallace Manaugh
Jack L. Allmer
James D. Stanley and Suzanne R. Stanley, as joint tenants
Janet K. Schmidt
Janice Rochelle Hoover
Jenny Palmer
Jesus Vega Renteria, Maria Santos Aldana De Vega, and Edgar Vega Aldana, joint tenants
Joan Scholfield
Jody Davis Leduc
John Allen Duell
John D. Stephenson Family Trust
John Lambert

John Timothy
Jone M. Pierce and William Edward Pierce, joint tenants
Joshua Barber
Judith A. Meyer
Julie Tzbiakowski
Kathleen L. Allen
Kenneth D. Jacobs
Kerr-McGee Rocky Mountain Corp.
Larry Duell
Larry Oster
Laurie Mollenhauser
Les M. Cogswell, Jr.
Levi Barber
LHB Ventures, LLC
Lidia Garcia
Linda Burke
Linda S. Cantrell
Linda Sue Gaston
Lisa Dalton
Lois Knittle
Margaret E. Shepherd
Margaret M. Knoedler and David J. Knoedler, as joint tenants
Marlys Allison
Martha Salser, a/k/a Martha H. Salser, a/k/a Martha Helen Salser, subject to Beneficiary Deed, recorded at Reception No. 4318723
Martha Veronica Arredondo and Ildefonso Arredondo, as joint tenants
Mary Valdez
Matrix Energy, LLC
Mekusukey Oil Company, LLC
Melissa Lee Behm
Melvin Brug and Ola Fae Brug, joint tenants
Michael Barber
Michelle Grant
Mike's Oil Well, LLC
Mildred Gobel
Miriam Key
Monterrey Minerals, LLC
Nancy L. Vega and Abelardo Vega, as joint tenants
Oak Prairie Oil & Gas, L.L.C.
Patricia Zale
Paul A. Lightsey and Carol L. Lightsey, as joint tenants
Paul L. Lambert, a/k/a Paul A. Lambert

Quirk Minerals Limited Partnership
Regal Petroleum, LLC
Richard Rogers
Richmark Mineral Partners, LLC
Ronald and Mary Ann Schmunk
Ronald Fossett
Ronald Water Treiber
Rory Griego
Sharon Ann Culbertson
Sharon Duvall
Sharon Eileen Brandt
SK Investments, LLC
Springbok Energy Partners, LLC
Stephen W. Kramer and Cynthia A. Kramer, joint tenants
Susan D. McMullen, a/k/a Susan D. Turner
Susan D. Turner
Susan R. Swanson
Terry Lee Dill and Sharon Ann Dill, as joint tenants
The Don E. and Fern L. Parrott Revocable Trust, dated June 3, 1993
The Fowler Revocable Living Trust, dated April 17, 2014 a/k/a The Fowler Revocable Trust dated April 17, 2014
The John D. Stephenson Family Trust
Usmaldo Deleon and Olga Molina, as joint tenants
Wayne C. Johnson and Teresa O. Johnson, as joint tenants
Weld County, Colorado, acting by and through the Board of County Commissioners
Wilbur G. Rogers
Williams Farm Partnership, LLLP
Incline Minerals, LLC

EXHIBIT B

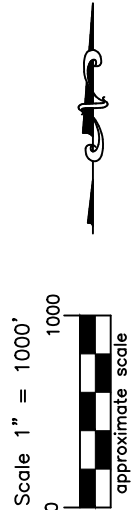
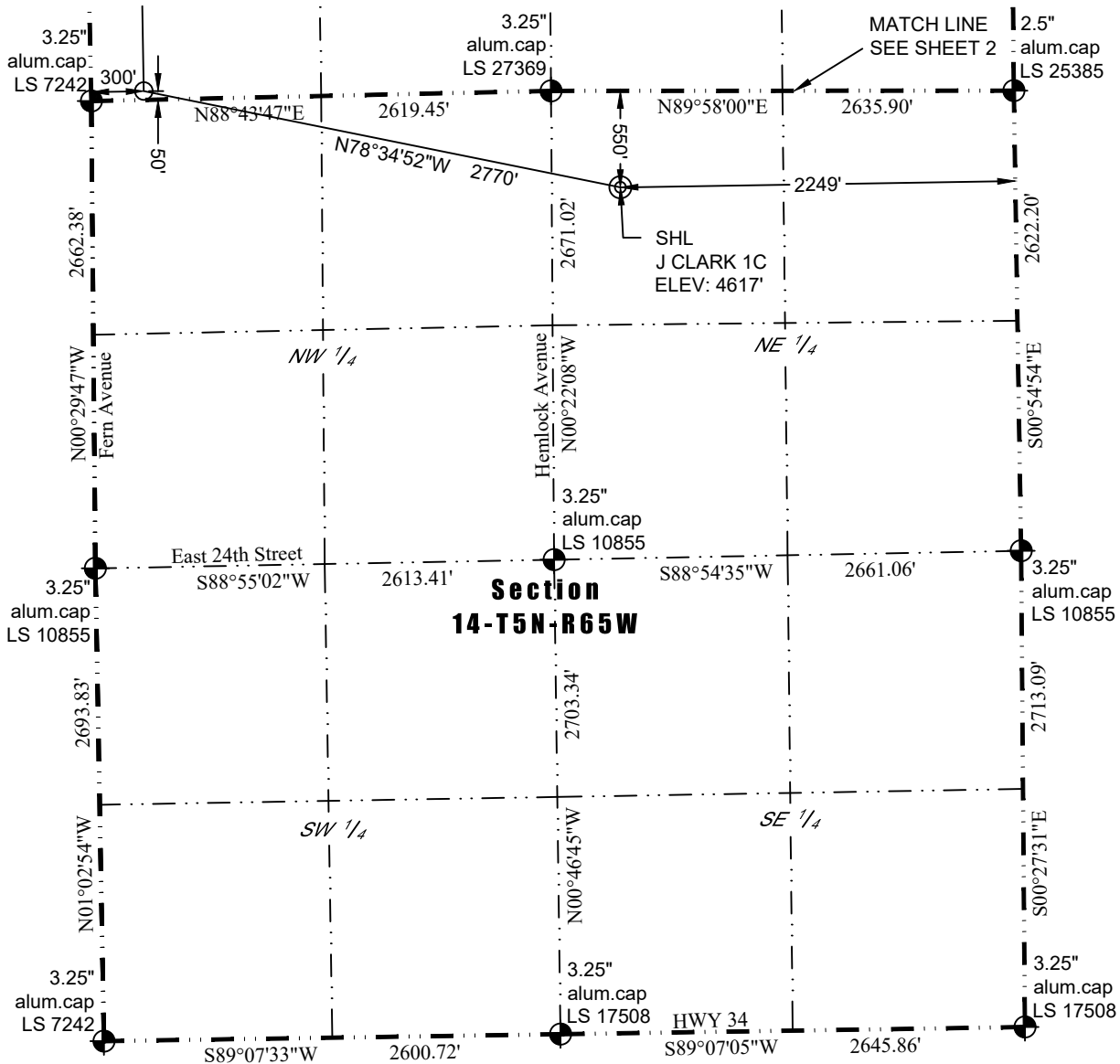
Plats

J Clark 1C Well

[ATTACHED]

WELL LOCATION CERTIFICATE

THIS MAP DOES NOT REPRESENT A BOUNDARY SURVEY



In accordance with a request from Darin Spitzer of PDC Energy, Inc., Washburn Land Surveying, LLC has determined the location of the **J CLARK 1C** well site to be SHL: 550' FNL and 2249' FEL, (EPL: 50' FSL and 300' FWL, BHL: 560' FNL and 300' FWL), as measured at ninety (90) degrees from the section lines of Sections 11 and 14, Township 5 North, Range 65 West of the 6th Principal Meridian, Weld County Colorado.

Proposed Surface Hole Data:
Latitude: N 40.405174°
Longitude: W 104.629159°
PDOP: 1.6

Proposed Entry Point Data:
Latitude: N 40.406752°
Longitude: W 104.638888°

Proposed Bottom Hole Data:
Latitude: N 40.419773°
Longitude: W 104.639018°

LEGEND

- ⊕ - Found Survey Monument
- ⊙ - Surface Hole Location (SHL)
- - Entry Point Location (EPL)
- × - Bottom Hole Location (BHL)

Nearest Cultural Items:
Building: 473' NW
Building Unit: 509' NW
Above Ground Utility: 365' W
Public Road: 380' W

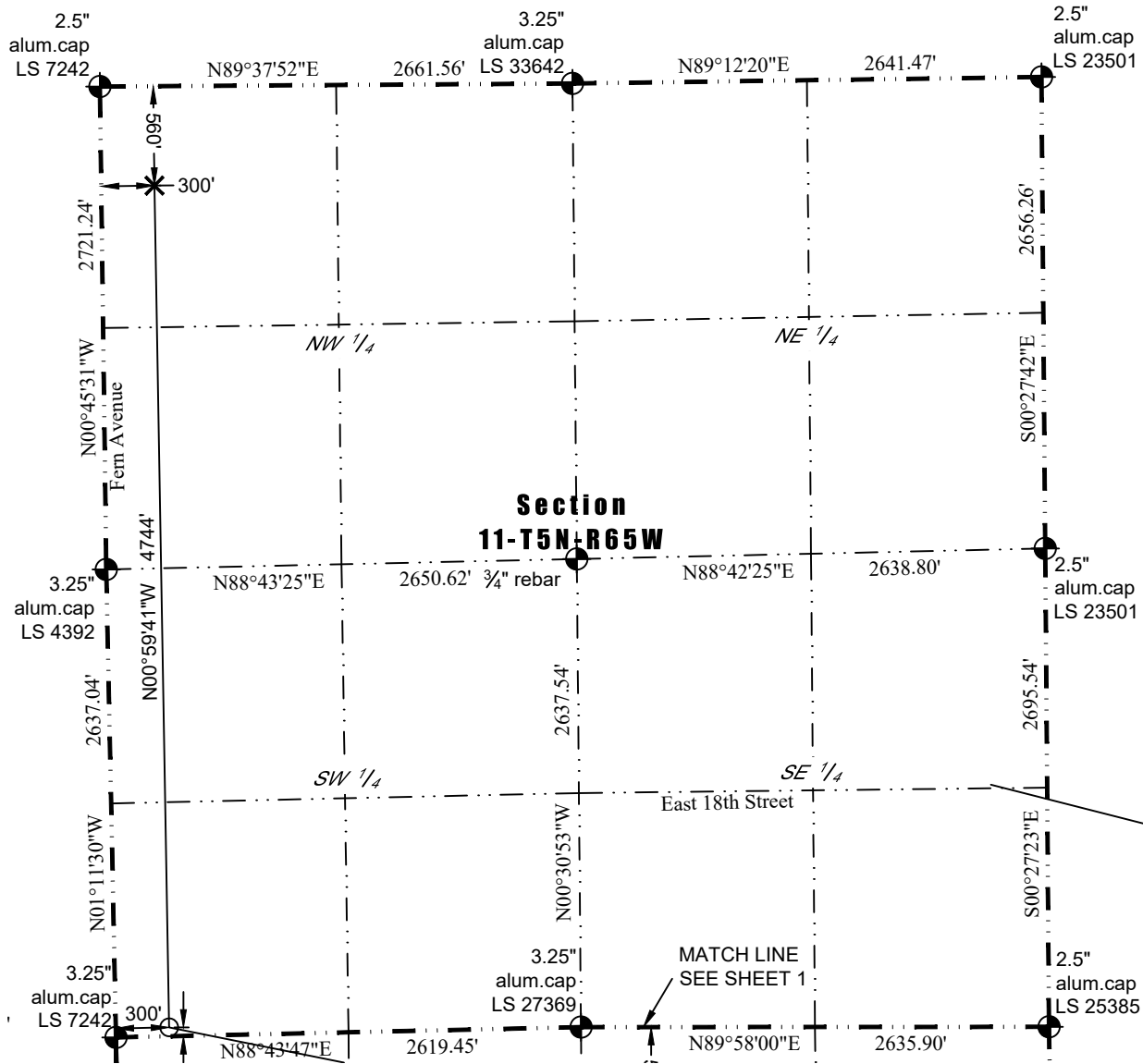
Property Line: 392' W
Railroad: +5280'
High Occupancy Building Unit: +5280
Designated Outside Activity Area: +5280

I hereby certify that this Well Location Certificate was prepared by me or under my direct supervision on 1/18/2018 for and on behalf of PDC Energy, Inc. and that it is not a Land Survey Plat or an Improvement Survey Plat and that it is not to be relied upon for establishment of fences, buildings, or other future improvement lines.

John Robert McGehee LS#38219
Well: J CLARK 1C WLC

- Notes:
- 1) Bearings and distances based on NAD 83 Colorado North State Plane Coordinate, using RTK GPS observations taken 1/18/18 by operator Jason Dahlman.
 - 2) Conversion factor to ground (1.0002577355).
 - 3) Elevations based on NAVD 88 GPS heights and Geoid 2009 corrections.
 - 4) See Location Drawing for visible improvements within 500 feet of Pad Site.
 - 5) The surface use is a cultivated field.

NOTICE: According to Colorado law you must commence any legal action based upon any defect in this W.L.C. within three years after you first discover such defect. In no event may any action based upon any defect in this W.L.C. be commenced more than ten years from this said date of the certification shown hereon.



- LEGEND**
- ⊕ - Found Survey Monument
 - ⊙ - Surface Hole Location (SHL)
 - - Entry Point Location (EPL)
 - ✕ - Bottom Hole Location (BHL)

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

IN THE MATTER OF THE APPLICATION) OF THE PROMULGATION AND) ESTABLISHMENT OF FIELD RULES TO) GOVERN OPERATIONS FOR THE) CODELL FORMATION, WATTENBERG) FIELD, WELD COUNTY, COLORADO)	CAUSE NO. DOCKET NO. 180700599 TYPE: POOLING
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CERTIFICATE OF SERVICE

Courtney M. Shephard, of lawful age, and being first duly sworn upon her oath, states and declares:

That she is the attorney for PDC Energy, Inc., and that on June 5, 2018, she caused a copy of the Application submitted to COGCC on May 31, 2018, to be deposited in the United States Mail, postage prepaid, addressed to the interested parties with known addresses listed on Exhibit A to the Application.

By: Courtney M. Shephard
 Courtney M. Shephard, Esq.
 License #47668

Burns, Figa & Will, P.C.
 6400 S. Fiddler’s Green Circle – Suite 1000
 Greenwood Village, CO 80111

STATE OF COLORADO)
) SS.
 COUNTY OF ARAPAHOE)

Subscribed and sworn to before me this 5th day of June, 2018.

My commission expires: 06-03-2019

PARASIA OLEKSIUK
 NOTARY PUBLIC
 STATE OF COLORADO
 NOTARY ID 20154021765
 MY COMMISSION EXPIRES JUNE 3, 2019

[Signature]