

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

IN THE MATTER OF AN APPLICATION BY)
BISON OIL & GAS II, LLC FOR AN ORDER TO)
VACATE AN ESTABLISHED 640-ACRE)
DRILLING AND SPACING UNIT, MODIFY AN)
ESTABLISHED 640-ACRE DRILLING AND)
SPACING UNIT, AND ESTABLISH AN)
APPROXIMATE 1,280-ACRE DRILLING AND)
SPACING UNIT WITH WELL LOCATION RULES)
FOR THE DRILLING OF WELLS AND)
PRODUCING OF OIL, GAS, AND ASSOCIATED)
HYDROCARBONS FROM THE NIOBRARA,)
FORT HAYS, CODELL, AND CARLILE)
FORMATIONS IN SECTIONS 10 AND 15,)
TOWNSHIP 8 NORTH, RANGE 59 WEST, 6TH)
P.M., UNNAMED FIELD, WELD COUNTY,)
COLORADO)

Cause No. 535

Docket No. 180900631

Type: SPACING

APPLICATION

Bison Oil & Gas II, LLC ("Applicant" or "Bison"), Operator No. 10661, by and through its attorneys, Welborn Sullivan Meck & Tooley, P.C., respectfully submits this Application to the Oil and Gas Conservation Commission of the State of Colorado ("Commission") for an order vacating an approximate 640-acre drilling and spacing unit established by Order No. 535-3 for Section 15, Township 8 North, Range 59 West, 6th P.M., modifying an approximate 640-acre drilling and spacing unit established by Order No. 535-3 and pooled by Order No. 535-236 for Section 10, Township 8 North, Range 59 West, 6th P.M., and establishing an approximate 1,280-acre drilling and spacing unit, and authorizing up to sixteen new 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 covering certain lands in Weld County, Colorado. In support of its 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 the right to drill, and is an Owner as defined by Commission rules, in the following lands ("Application Lands"):

Township 8 North, Range 59 West, 6th P.M.

Section 10: All

Section 15: All

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. On February 22, 2011, the Commission entered Order No. 535-3, which established 160 approximate 640-acre drilling and spacing units for certain lands in Townships 8, 9, and 10, North, Ranges 58 through 62 West, 6th P.M., and approved one horizontal well in each unit, for the production of oil, gas, and associated hydrocarbons from the Niobrara Formation, with the treated interval of the wellbore to be located no closer than 600 feet from the unit boundaries, without exception being granted by the Director. The Application Lands are subject to this order for the Niobrara Formation.

5. On April 22, 2011, the Commission approved a Form 2 Application for Permit-to-Drill for the Castor LG10-72HN Well (API No. 05-123-33436), a horizontal well to be drilled on a 640-acre drilling and spacing unit established by Order No. 535-3 for Section 10, Township 8 North, Range 59 West, 6th P.M. On October 13, 2012, the Castor LG10-72HN Well was spud, and was ultimately completed to the Niobrara Formation. The Castor LG10-72HN Well continues to produce oil, gas, and associated hydrocarbons from the Niobrara Formation. Applicant requests that the Castor LG10-72HN Well continue to be operated, and proceeds continue to be distributed, in accordance with its applicable rules and orders.

6. On January 7, 2013, the Commission entered Order No. 535-236, which pooled all interests in an approximate 160-acre drilling and spacing unit established by Order No. 535-3 for Section 10, Township 8 North, Range 59 West, 6th P.M., and granted cost recovery pursuant to Section 34-60-116(7), C.R.S., against the nonconsenting owners in the Castor LG10-72HN Well, for the production of oil, gas, and associated hydrocarbons from the Niobrara Formation. Section 10 of the Application Lands is subject to this order for the Niobrara Formation.

7. No other horizontal wells have been drilled or permitted within the Application Lands.

8. To promote efficient drainage, and to prevent waste, Applicant requests that the Commission:

(i) Vacate an approximate 640-acre drilling and spacing unit established by Order No. 535-3 for Section 15, Township 8 North, Range 59 West, 6th P.M.;

(ii) Modify an approximate 640-acre pooled drilling and spacing unit established by Order No. 535-3 and pooled by Order No. 535-236 for Section 10, Township 8 North, Range 59 West, 6th P.M. to be specific to the Castor LG10-72HN Well, and to disallow the drilling and producing of any additional horizontal wells within the unit; and

(iii) Establish an approximate 1,280-acre drilling and spacing unit for the Application Lands, and approve up to sixteen (16) new horizontal wells within the unit, for the production of oil, gas and associated hydrocarbons from the Niobrara, Fort Hays, Codell, and Carlile Formations, with the treated interval of each wellbore within the drilling and spacing unit being no closer than 600 feet from the unit boundary, and no closer than 165 feet from the productive interval of any other wellbore located within the unit, unless an exception is granted by the Director.

9. 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 hydrocarbons from the Application Lands. The drilling and spacing unit is not smaller than the maximum area that can be drained by the proposed wells. Applicant further maintains that the drilling and spacing unit will have no adverse effect on correlative rights.

10. Applicant states that the wells are to be drilled and operated from no more than two (2) surface locations within the unit or at a legal location on adjacent lands.

11. 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 this Application shall be served on each interested party within seven (7) days after filing of the Application as required by Rules 503.e., 507.b.(1), and 507.c.

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.

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Dated this 19th day of June, 2018.

Respectfully submitted,
WELBORN SULLIVAN MECK & TOOLEY, P.C.

By: 

Joseph C. Pierzchala
Geoffrey W. Storm
Welborn Sullivan Meck & Tooley, P.C.
1125 17th Street, Suite 2200
Denver, CO 80202
303-830-2500
jpierzchala@wsmtlaw.com
gstorm@wsmtlaw.com

Attorneys for Bison Oil & Gas II, LLC

Applicant's Address:

Bison Oil & Gas II, LLC
518 17th Street, Suite 1800
Denver, CO 80202
Attn: Robert Pierini
Phone: (720) 644-6997

VERIFICATION

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

Robert Pierini, Vice President – Land, for Bison Oil & Gas II, LLC, upon oath deposes and says that he has read the foregoing Application and that the statements contained therein are true to the best of his knowledge, information and belief.

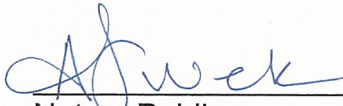
BISON OIL & GAS II, LLC



Robert Pierini
Vice President - Land

Subscribed and sworn to before me this 19th day of June 2018 by Robert Pierini, Vice President - Land, for Bison Oil & Gas II, LLC.

Witness my hand and official seal.



Notary Public
My Commission Expires: March 8, 2020

ABIGAIL WENK
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20164009689
MY COMMISSION EXPIRES MARCH 8, 2020

EXHIBIT A

INTERESTED PARTIES

Weld County

Troy Swain
Weld County
Department of Planning Services
1555 North 17th Ave.
Greeley CO 80631

Colorado Department of Public Health and Environment

Attn: Oil and Gas Liaison
4300 Cherry Creek Dr. South
Denver, CO 80246-1530

Colorado Division of Wildlife

Northeast Region Office
6060 Broadway
Denver, CO 80216

EXHIBIT A

INTERESTED PARTIES

Noble Energy WYCO, LLC
Noble Energy Inc.
Verdad Resources, LLC
Oil India (USA) LLC
IOCL (USA) Inc.
Haimo Oil & Gas, LLC
Ward Petroleum Corporation
William C. Ward
Holton Resources, Ltd.
Hofacket-Ward Family Trust
John C. Edwards
Kenneth Cox, Personal Representative of the Estate of Lloyd Kenneth Cox
Richard H. Burris
Jessie G. McArthur
Michael J. Mahoney
Jerry Mahoney
George W. Ainsworth
Connors Oil & Gas, LLC
Merle Mehring
Gerry Mehring
DPOC, LLC

Exhibit B - Application Lands



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

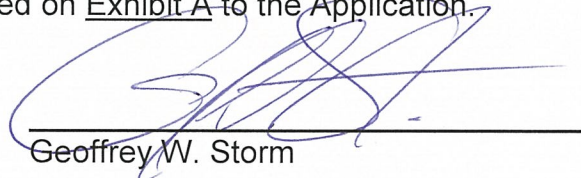
| | | |
|---|---|----------------------|
| IN THE MATTER OF AN APPLICATION BY |) | Cause No. 535 |
| BISON OIL & GAS II, LLC FOR AN ORDER TO |) | |
| VACATE AN ESTABLISHED 640-ACRE |) | Docket No. 180900631 |
| DRILLING AND SPACING UNIT, MODIFY AN |) | |
| ESTABLISHED 640-ACRE DRILLING AND |) | Type: SPACING |
| SPACING UNIT, AND ESTABLISH AN |) | |
| APPROXIMATE 1,280-ACRE DRILLING AND |) | |
| SPACING UNIT WITH WELL LOCATION RULES |) | |
| FOR THE DRILLING OF WELLS AND |) | |
| PRODUCING OF OIL, GAS, AND ASSOCIATED |) | |
| HYDROCARBONS FROM THE NIOBRARA, |) | |
| FORT HAYS, CODELL, AND CARLILE |) | |
| FORMATIONS IN SECTIONS 10 AND 15, |) | |
| TOWNSHIP 8 NORTH, RANGE 59 WEST, 6TH |) | |
| P.M., UNNAMED FIELD, WELD COUNTY, |) | |
| COLORADO |) | |

AFFIDAVIT OF MAILING

STATE OF COLORADO §
 §
CITY AND COUNTY OF DENVER §

I, Geoffrey W. Storm, of lawful age, and being first duly sworn upon my oath, state and declare:

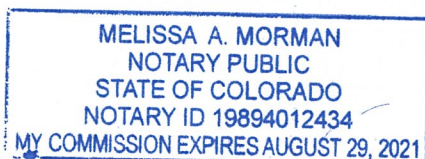
That I am the attorney for Bison Oil & Gas II, LLC and that on or before June 27, 2018, I caused a copy of the attached Application to be deposited in the United States mail, postage prepaid, addressed to the parties listed on Exhibit A to the Application.

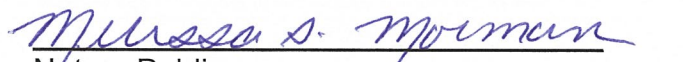


Geoffrey W. Storm

Subscribed and sworn to before me June 29, 2018.

Witness my hand and official seal.





Notary Public
My commission expires: 8/29/2021

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

| | | |
|--------------------------------------|---|----------------------|
| IN THE MATTER OF AN APPLICATION BY |) | |
| BISON OIL & GAS II, LLC FOR AN ORDER |) | Cause No. 535 |
| TO VACATE AN ESTABLISHED 640-ACRE |) | |
| DRILLING AND SPACING UNIT, MODIFY |) | Docket No. 180900631 |
| AN ESTABLISHED 640-ACRE DRILLING |) | |
| AND SPACING UNIT, AND ESTABLISH |) | Type: SPACING |
| AN APPROXIMATE 1,280-ACRE |) | |
| DRILLING AND SPACING UNIT WITH |) | |
| WELL LOCATION RULES FOR THE |) | |
| DRILLING OF WELLS AND PRODUCING |) | |
| OF OIL, GAS, AND ASSOCIATED |) | |
| HYDROCARBONS FROM THE |) | |
| NIOBARRA, FORT HAYS, CODELL, AND |) | |
| CARLILE FORMATIONS IN SECTIONS 10 |) | |
| AND 15, TOWNSHIP 8 NORTH, RANGE |) | |
| 59 WEST, 6TH P.M., UNNAMED FIELD, |) | |
| WELD COUNTY, COLORADO |) | |

MOTION FOR AN ORDER OF SERVICE BY PUBLICATION

Bison Oil & Gas II, LLC ("Bison" or "Applicant"), Operator No. 10661, by its attorneys, Welborn Sullivan Meck & Tooley, P.C., respectfully submits this Motion for Service by Publication to the Oil and Gas Conservation Commission of the State of Colorado (the "Commission") pursuant to Section 34-60-108(4) and Colorado Rule of Civil Procedure 4(g) and, as grounds therefore, Applicant states:

A. Factual and Procedural History

1. Bison is a limited liability company duly authorized to conduct business in the State of Colorado, is a registered operator in good standing with the Commission, and is an interested party in the subject matter of the above-referenced Docket as the applicant and owner of certain leasehold interests in the Application Lands described below:

Township 8 North, Range 59 West, 6th P.M.
Section 10: All
Section 15: All

2. The Commission has jurisdiction over the subject matter embraced in said Docket, and of the parties interested therein, and jurisdiction to promulgate the hereinafter prescribed order pursuant to the Oil and Gas Conservation Act.

3. On June 19, 2018, Bison filed an application pursuant to Section 34-60-116, C.R.S., for an order establishing an approximate 1,280-acre drilling and spacing unit covering the Application Lands, approving up to sixteen (16) horizontal wells within the unit, and establishing well location rules applicable to the drilling of wells and producing of oil, gas and associated hydrocarbons from the Niobrara, Fort Hays, Codell, and Carlile Formations.

4. Bison made diligent efforts to locate all interested parties, both before and after filing the Application, and to serve them with a copy of the Application. Despite its best efforts, Bison has been unable to locate one interested party. With no means for service, Bison now moves the Commission for permission to serve the below-identified interested party by publication.

5. Copies of the Application were prepared, and were served on all locatable Interested Parties pursuant to Rule 507.b.(1) and pursuant to Rule 503.e.

6. Upon reasonable due diligence, which is further detailed herein, Bison was unable to find address information for the following Interested Party:

Richard H. Burris

(hereinafter "Unlocatable Interested Party").

7. The Commission has determined that in order for publication by notice to be effective as to persons with unknown addresses, the Applicant must first comply with Colorado Rule of Civil Procedure 4(g), which authorizes service of process by publication only after the Applicant files a verified motion with the Commission detailing Applicant's attempts to provide actual notice of the proceedings and the Commission grants the motion.

B. Applicable Standard

8. Colorado's Oil and Gas Conservation Act, allows for service of unit applications by publication. Section 34-60-108(4), C.R.S., provides in relevant part:

"Any notice required by this article, except as provided in this section, shall be given by the commission either by mailing a copy thereof, postage prepaid, to the last known mailing address of the person to be given notice, or by personal service. In addition, the commission shall cause one publication of such notice, at least ten days prior to the hearing, in a

newspaper of general circulation in the city and county of Denver and in a newspaper of general circulation in the county where the land affected, or some part thereof, is situated...In all cases where there is an application for the entry of a pooling order or unitization order...notice of the hearing to be held on such application or complaint shall be served on the interested parties either by mail as provided in this subsection (4) or in the same manner as is provided in the Colorado rules of civil procedure for the service of process in civil actions in the district courts of this state."

9. Commission Rule 519 also states that the Colorado Rules of Civil Procedure ("C.R.C.P.") apply to Commission proceedings unless they are inconsistent with Commission Rules or the Colorado Oil and Gas Conservation Act.

10. C.R.C.P. Rule 4(g) provides:

"Except as otherwise provided by law, service by mail or publication shall be allowed only in actions affecting specific property or status or other proceedings in rem. When service is by publication, the complaint need not be published with the summons. The party desiring service of process by mail or publication under this section (g) shall file a motion verified by the oath of such party or of someone in the party's behalf for an order of service by mail or publication. It shall state the facts authorizing such service, and shall show the efforts, if any, that have been made to obtain personal service and shall give the address, or last known address, of each person to be served or shall state that the address and last known address are unknown. The court, if satisfied that due diligence has been used to obtain personal service or that efforts to obtain the same would have been to no avail, shall:

(1) Order the party to send by registered or certified mail a copy of the process addressed to such person at such address, requesting a return receipt signed by the addressee only. Such service shall be complete on the date of the filing of proof thereof, together with such return receipt attached thereto signed by such addressee, or

(2) Order publication of the process in a newspaper published in the county in which the action is pending. Such publication shall be made once each week for five successive weeks. Within 14 days after the order the party shall mail a copy of the process to each person whose address or last known address has been stated in the motion and file proof thereof. Service shall be complete on the day of the last publication. If no newspaper is published in the county, the court shall designate one in some adjoining county."

C. Bison's Due Diligence in Attempting to Locate the Unlocatable Interested Parties

11. In attempting to locate a last known address for the Unlocatable Interested Party, Bison researched the public records maintained by the clerk and recorders office of Weld County, reviewed internal land and well records, researched online Commission records, and utilized the third party, paid online search tool Lexis. However, as of the date of this Motion, Bison is unable to find addresses for the Unlocatable Interested Party.

D. Relief Requested

1. That the Commission order publication of process, in the form attached hereto, in the Application subject to the above-referenced Docket in a newspaper published in Weld County, Colorado.
2. Grant such other findings and orders as the Commission may deem proper or advisable in this matter.

DATED this 12 day of July, 2018.

Respectfully submitted,

BISON OIL & GAS II, LLC

By: 

Joseph C. Pierzchala

Geoffrey W. Storm

Welborn Sullivan Meck & Tooley, P.C.

Attorneys for Applicant

1125 17th Street, Suite 2200

Denver, CO 80202

303-830-2500

jpierzchala@wsmtlaw.com

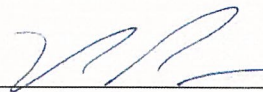
gstorm@wsmtlaw.com

VERIFICATION

STATE OF COLORADO)
) ss.
COUNTY OF DENVER)

Robert Pierini, Vice President - Land with Bison Oil & Gas II, LLC, upon oath deposes and says that he has read the foregoing Motion for an Order of Service by Publication and that the statements contained therein are true to the best of his knowledge, information and belief.

BISON OIL & GAS II, LLC

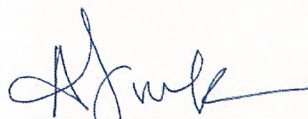


Robert Pierini
Vice President - Land

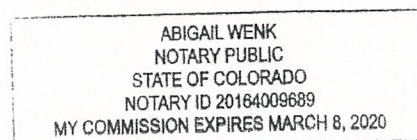
Subscribed and sworn to before me this 12 day of July, 2018, by Robert Pierini, Vice President - Land with Bison Oil & Gas II, LLC.

Witness my hand and official seal.

My commission expires: March 8, 2020



Notary Public



CERTIFICATE OF SERVICE

I hereby certify that, on July 19, 2018, I caused a copy of BISON OIL & GAS II, LLC'S MOTION FOR AN ORDER OF SERVICE BY PUBLICATION to be served to the addressed listed below.

Via electronic mail and courier:

Colorado Oil and Gas Conservation Commission

ATTN: Julie Prine, James Rouse

1120 Lincoln Street, Suite 810

Denver, CO 80203

julie.prine@state.co.us

james.rouse@state.co.us

Melissa D. Moorman