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

IN THE MATTER OF THE APPLICATION OF MALLARD EXPLORATION, LLC FOR AN ORDER TO POOL ALL INTERESTS IN AN APPROXIMATE 640-ACRE DRILLING AND SPACING UNIT FOR SECTION 35, TOWNSHIP 8 NORTH, RANGE 60 WEST, 6TH P.M., FOR THE DEVELOPMENT AND OPERATION OF THE NIOBRARA, FORT HAYS, CODELL AND CARLILE FORMATIONS, UNNAMED FIELD, WELD COUNTY, COLORADO

CAUSE NO. 535

DOCKET NO. 180900

TYPE: POOLING

APPLICATION

COMES NOW Mallard Exploration, LLC (Operator No. 10670) ("Applicant"), by and through its undersigned attorneys, and respectfully submits this Application to the Oil and Gas Conservation Commission of the State of Colorado (the "Commission") for an order to pool all interests within an approximate 640-acre drilling and spacing unit for Section 35, Township 8 North, Range 60 West, 6th P.M., for the development and operation of the Niobrara, Fort Hays, Codell and Carlile Formations underlying the below-described lands. In support of its Application, Applicant states and alleges as follows:

- 1. Applicant is a limited liability company duly authorized to conduct business in the State of Colorado, and is a registered operator in good standing with the Commission.
- 2. Applicant has the authority to operate the leasehold in the Application Lands on behalf of DPOC, LLC, the leasehold owner in the Application Lands. DPOC, LLC is a wholly owned subsidiary of Mallard Exploration, LLC. Applicant is an Owner and/or Operator as defined by the Colorado Oil and Gas Conservation Act, § 34-60-103(7) and the Commission 100 Series Rules, owns leasehold interests and/or has the right to drill and produce on the following lands (hereafter "Application Lands"):

Township 8 North, Range 60 West, 6th P.M. Section 35: All

640 acres, more or less, Weld County, Colorado.

A reference map of the Application Lands is attached hereto.

3. On September 31, 2013, the Commission entered Order 535-91, which among other things, established an approximate 640-acre drilling and spacing unit in Section 35, Township 8 North, Range 60 West, 6thP.M., and approved two horizontal

wells within the unit, for the production of oil, gas, and associated hydrocarbons from the Niobrara Formation.

- 4. On July 9, 2012, the Commission Order No. 535-187 which pooled all interests in an approximate 640-acre drilling and spacing unit, for Section 35, Township 8 North, Range 60 West, 6th P.M., to accommodate the Hemberger 3-26-34-8-60 Well, for the development and operation of the Niobrara Formation.
- 5. On January 26, 2015, the Commission entered Order No. 535-632 which approved up to a total of 16 horizontal wells the approximate 640-acre drilling and spacing unit in Section 35, Township 8 North, Range 60 West, 6th P.M., for the production of oil, gas, and associated hydrocarbons from the Niobrara Formation.
- 6. On November 15, 2012, the Commission entered Order No. 535-219 which, among other things, approved up to four horizontal wells within each of three approximate 640-acre drilling and spacing units, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation, with the treated interval of the horizontal wellbore to be no closer than 600 feet from the unit boundaries, and no closer than 600 feet from the treated interval of any other wellbore located in the unit, without exception being granted by the Director. Sections 25, 26 and 35, Township 8 North, Range 60 West, 6th P.M. are subject to this Order for the Niobrara Formation.
- 7. On March 25, 2013, the Commission entered Order No. 535-294 which approved up to a total of six horizontal wells within each of three approximate 640-acre drilling and spacing units established for Sections 25, 26 and 35, Township 8 North, Range 60 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.
- 8. On January 26, 2015, the Commission entered Order No. 535-632 which approved an additional 10 horizontal wells, for a total of up to 16 horizontal wells within an approximate 640-acre drilling and spacing unit established for Section 35, Township 8 North, Range 60 West, 6th P.M., for the development and operation of the Niobrara Formation.
- 9. On February 12, 2018, the Commission entered Order No. 535-942 which, among other things, amended Order 535-91, insofar as it applies to the 640-acre drilling and spacing unit previously established for Section 35, Township 8 North, Range 60 West, to include the Niobrara, Fort Hays, Codell, and Carlile Formations and approve an additional four horizontal wells within the unit, for the production of oil, gas, and associated hydrocarbons from the Niobrara, Fort Hays, Codell, and Carlile Formations.
- 10. Applicant, pursuant to Commission Rule 530 and/or the provisions of § 34-60-116 (6) and (7), C.R.S., hereby requests an order to pool all interests, including but not limited to, any non-consenting interests and any party failing to fulfill its election, in the Application Lands in the Niobrara, Fort Hays, Codell and Carlile Formations underlying the drilling and spacing unit

- 11. Applicant requests that the Commission's pooling order be made effective as of the earlier of the date of this Application, or the date that the costs specified in § 34-60-116(7)(b), C.R.S. are first incurred for the drilling of the first horizontal well within the drilling and spacing unit.
- 12. Applicant certifies that copies of this Application will be served on all persons owning a recorded and known interest in the mineral estate of the tracts to be pooled within seven days of the date hereof, as required by Rule 503.e., and that at least 35 days prior to the hearing on this matter, each such recorded and known interest owner not already leased or voluntarily pooled will be offered the opportunity to lease and/or participate and will be provided with the information required by Rule 530 as applicable.
- 13. In order to prevent waste and to protect correlative rights, all interests in the approximate 640-acre drilling and spacing unit should be pooled for the orderly development and operation of the Niobrara, Fort Hays, Codell and Carlile Formations, including any non-consenting interests therein.

WHEREFORE, Applicant requests that this matter be set for hearing on September 17, 2018, that notice be given as required by law, and that upon such hearing, the Commission enter its order:

A. Pooling all interests, including but not limited to any non-consenting interests and any party failing to fulfill its election, in the following 640-acre drilling and spacing unit established for the development and operation of the Niobrara, Fort Hays, Codell and Carlile Formations:

Township 8 North, Range 60 West, 6th P.M. Section 35: All

640 acres, more or less, Weld County, Colorado.

- B. Providing that the Commission's pooling order is made effective as of the earlier of the date of this Application, or the date that any of the costs specified in § 34-60-116(7)(b), C.R.S. are first incurred for the drilling of the well within the unit, for the production of oil, gas and associated hydrocarbons from the Niobrara, Fort Hays, Codell and Carlile Formations on the Application Lands.
- C. Providing that any party who fails to make a timely election to lease or to participate is pooled by operation of statute, pursuant to § 34-60-116(6) and (7), C.R.S., and made subject to the cost recovery provisions thereof with respect to the Well drilled to develop the Niobrara, Fort Hays, Codell and Carlile Formations in the approximate 640-acre drilling and spacing unit comprising the Application Lands.
- D. For such other findings and orders as the Commission may deem proper or advisable in this matter.

DATED June, 2018.

Respectfully submitted:

MALLARD EXPLORATION, LLC

Ву:

Jamie L. Jost

Jill D. Dorancy

Jost Energy Law, P.C. Attorneys for Applicant 1401 17th Street, Suite 370

Denver, Colorado 80202

(720) 446-5620

Applicant's Address:
Mallard Exploration, LLC
ATTN: Michael Sobecki
1400 16th Street, Suite 300
Denver, CO 80202

VERIFICATION

STATE OF COLORADO)	00
CITY AND COUNTY OF DENVER)	SS.
that he is a Vice President – Land for Ma foregoing Application and that the matter knowledge, information and belief.	g first duly sworn upon oath, deposes and says llard Exploration, LLC and that he has read the s therein contained are true to the best of his lordan Mattson, Vice President - Land Mallard Exploration, LLC
Subscribed and sworn to before me this 20	day of June, 2018.
Witness my hand and official seal.	MADISON MAMAGHANI NOTARY PUBLIC
[SEAL]	STATE OF COLORADO NOTARY ID 20174036078 COMMISSION EXPIRES AUG. 29, 2021
My commission expires: 8 29 31	
Mamm Notary Public()	

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

IN THE MATTER OF THE APPLICATION OF MALLARD EXPLORATION, LLC FOR AN ORDER TO POOL ALL INTERESTS IN AN APPROXIMATE 640-ACRE DRILLING AND SPACING UNIT FOR SECTION 35, TOWNSHIP 8 NORTH, RANGE 60 WEST, 6TH P.M., FOR THE DEVELOPMENT AND OPERATION OF THE NIOBRARA, FORT HAYS, CODELL AND CARLILE FORMATIONS, UNNAMED FIELD, WELD COUNTY, COLORADO

CAUSE NO. 535

DOCKET NO. 180900644

TYPE: POOLING

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 Mallard Exploration, LLC, and that on or before the 5th day of July, 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 Jill D. Dorancy

Subscribed and sworn to before me this 3rd day of July, 2018.

Witness my hand and official seal.

Notary Public

KERRY LEBLEU NOTARY PUBLIC STATE OF COLORADO NOTARY ID 19934018734 MY COMMISSION EXPIRES JULY 24, 2021

Exhibit A Mallard FP – 8N 60W 35

Bayshore Minerals, LLC 2305 W. Berry Ave. Littleton, CO 80125

BLG Resources, LLC 2218 Worthington St. Dallas, TX 75204

Sharon Eileen Brandt 1311 Whispering Pines Dr. Houston, TX 77055

Linda S. Cantrell P.O. Box 480 Kersey, CO 80644

Carrizo (Niobrara) LLC 500 Dallas St., Suite 2300 Houston, TX 77002

Carver E&P, LLC P.O. Box 46063 Denver, CO 80201

Centennial Mineral Holding, LLC 5950 Cedar Springs Road, Suite 200 Dallas, TX 75235

Chandel Investments, LLC 400 Nolana, Suite H2 McAllen, TX 78504

Clove Hitch, LLC P.O. Box 357 Sheridan, WY, 82801

Helen Crews 6600 W. 20th St, #35 Greeley, CO 80634

DC Heritage Trust 1112 Oakridge Dr., #104/208 Fort Collins, CO 80525 DOXA Heritage Trust 3739 Precision Dr., #E140 Fort Collins, CO 80528

DPOC, LLC 1400 16th Street, Suite 300 Denver, CO 80202

John Allen Duell 1301 Zanthia St. Denver, CO 80220

Duell Family Irrevocable Trust dated May 26, 2015 1601 Rosewood Dr. Brentwood, TN 37027

Foundation Energy Fund III-A, L.P. 16000 Dallas Prkwy, Suite 875 Dallas, TX 75248

Foundation Energy Fund III-B Holding, L.L. 16000 Dallas Prkwy, Suite 875 Dallas, TX 75248

Foundation Energy Fund IV-A, L.P. 16000 Dallas Prkwy, Suite 875 Dallas, TX 75248

Foundation Energy Fund IV-B Holding, L.L.C 16000 Dallas Prkwy, Suite 875 Dallas, TX 75248

Grayrock Minerals, LLC 5950 Cedar Springs Road, Suite 200 Dallas, TX 75235

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

Harvey E. Cozzens Heritage Trust 59498 Spring Creek Rd. Montrose, CO 81403 John and Kristen Herpers, JT 951 S. Garfield St. Denver, CO 80209

IOCL (USA) Inc. 333 Clay St., Suite 3300 Houston, TX 77002

LHB Niobrara, LLC P.O. Box 46063 Denver, CO 80201

LutherMinerals, LLC 5713 Soapberry Dr. Keller, TX 76244

Martha H. Salser (subject to Beneficiary Deed @4318723) 310 4th St. Kersey, CO 80644

Mekusukey Oil Company, LLC P. O. Box 816 Wewoka, OK 74884

Mikes Oil Well, LLC 108 Martinek Lane Palmer, TX 75152

Mile Hi Oil & Gas, Inc. P.O. Box 621609 Littleton, CO 80162

MK/Colorado, LLC 2311 Cedar Springs, Suite 405 Dallas, TX 75201

Mountain States Minerals, LLC 1550 Larimer St., #313 Denver, CO 80202

Oil India (USA) Inc. 333 Clay St., Suite 3300 Houston, TX 77002

Pidgeon Cay 4, LLC 460 S. Marion Pkwy, #1856B Denver, CO 80209 Piggyback Petroleum LLC P.O. Box 301 Smithfield, UT 84335

Rincones Two, LLC 2000 Yaupon Valley Road Austin, TX 78746

Rodella Minerals, LLC 10320 N. Chatfield Drive Littleton, CO 80125

Janet K. Schmidt 24250 CR 58 Greeley, CO 80631

Cynthia M. Spurlock-Schouter 325 Washington Ave., S. #342 Kent, WA 98032

STA, LLC 3833 W. Dallas Ave. Broken Arrow, OK 74012

The Fowler Revocable Living Trust, dated April 17, 2015 548 Tapatio Lane Kissimee, FL 34759

Greg R. Thome 17737 E. Belleview Place Centennial. CO 80015

Trent Oram, as Trustee of TJO Investment Trust 38 Mountain Moose Rd. Philipsburg, MT 59858

United States of America 2850 Youngfield St. Lakewood, CO 80215

Clayton L. Vandergriff 1477 S. Fairfax St. Denver, CO 80222

Verdad Resources LLC 5950 Cedar Springs Road, Suite 200 Dallas, TX 75235 Verity Land Company #3, LLC P.O. Box 82219 Oklahoma City, OK 73148

Yggdrasil Minerals, LLC 2055 Summit Dr. Sheridan, WY 82801

Mallard Exploration, LLC 1821 Blake Street, Suite 2B Denver, CO 80202