

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

IN THE MATTER OF THE APPLICATION OF CCRP )  
OPERATING, INC. FOR AN ORDER TO ESTABLISH AN ) CAUSE NO. 535  
APPROXIMATE 1,280-ACRE DRILLING AND SPACING )  
UNIT FOR SECTIONS 27 & 34, TOWNSHIP 8 NORTH, ) DOCKET NO. To be determined  
RANGE 59 WEST, 6<sup>TH</sup> P.M., AND AUTHORIZING THE )  
DRILLING OF FOURTEEN HORIZONTAL WELLS ) TYPE: Spacing  
WITHIN THE PROPOSED UNIT, FOR PRODUCTION )  
FROM THE CODELL, FORT HAYS, CARLILE, AND )  
NIOBRARA FORMATIONS, UNNAMED FIELD, WELD )  
COUNTY, COLORADO )

**APPLICATION**

CCRP Operating, Inc. (“CCRP” or “Applicant”), Operator #10665, by and through its attorneys, Poulson, Odell & Peterson, LLC, respectfully submits this Application to the Oil and Gas Conservation Commission of the State of Colorado (“Commission” or “COGCC”) for an order: (1) vacating the approximate 640-acre drilling and spacing unit established by Order No. 535-69 for Section 27, Township 8 North, Range 59 West, 6th P.M., for production of oil, gas and associated hydrocarbons from the Niobrara Formation, and (2) establishing an approximate 1,280-acre drilling and spacing unit for said Sections 27 and 34, and authorizing the drilling of 14 horizontal wells within the proposed unit, for production of oil, gas and associated hydrocarbons from the Codell, Fort Hays, Carlile, and Niobrara Formations. In support of this Application (“Application”), Applicant states and alleges as follows:

1. Applicant is a corporation duly authorized to conduct business in the State of Colorado, and has registered as an operator with the COGCC.
2. Applicant owns substantial leasehold interests in the below-listed lands (“Application Lands”):

Township 8 North, Range 59 West, 6<sup>th</sup> P.M.  
Section 27: All  
Section 34: All

Exhibit A is attached hereto and depicts the Application Lands which consists of approximately 1,280 acres.

3. COGCC Rule 318.a. provides that for any oil or gas well drilled to a common source of supply and drilled to a producing depth at least 2,500 feet below ground surface shall be located not less than 600 feet from any lease line and not less than 1,200 feet from any other producing or drilling oil or gas well when drilling to the same source of supply, unless authorized by Commission order upon hearing. The Application Lands are subject to this Rule for production of oil and gas from the Codell, Fort Hays and Carlile Formations. Section 34, Township 8 North, Range 59 West, 6<sup>th</sup> P.M., is subject to this Rule for production from the Niobrara Formation.

4. On September 19, 2011, the Commission issued Order No. 535-69 which, among other things, established an approximate 640-acre drilling and spacing unit for Section 27, Township 8 North, Range 59 West, 6<sup>th</sup> P.M., and authorized the drilling of two horizontal wells within said unit, for production of oil, gas and associated hydrocarbons from the Niobrara Formation, with the treated interval of any permitted well located not less than 600 feet from unit boundaries and no closer than 150 feet from any other well drilling or producing from the Niobrara Formation.

*Vacating the approximate 640-acre drilling and spacing unit established for Section 27, Township 8 North Range 59 West, 6<sup>th</sup> P.M., for production from the Niobrara Formation*

5. Applicant herein requests the approximate 640-acre drilling and spacing unit established by Order No. 535-69 for Section 27, Township 8 North, Range 59 West, 6<sup>th</sup> P.M., for production of oil, gas and associated hydrocarbons from the Niobrara Formation, be vacated. By vacating this 640-acre unit, Applicant will herein propose the establishment of an approximate 1,280-acre drilling and spacing unit for the Application Lands, and authority to drill 14 horizontal wells within the proposed unit, for production of oil, gas and associated hydrocarbons from the Codell, Fort Hays, Carlile, and Niobrara Formations. This proposed development plan will allow the drilling of 14 two-mile laterals running north-to-south or south-to-north within the proposed unit, thereby preventing waste while protecting correlative rights within, and adjacent to, the proposed unit area.

*Establishment of an approximate 1,280-acre drilling and spacing unit for the Application Lands, for production from the Codell, Fort Hays, Carlile, and Niobrara Formations*

6. Applicant herein seeks the establishment of an approximate 1,280-acre drilling and spacing unit for the Application Lands, and the authority to drill 14 horizontal wells within the proposed unit, for production of oil, gas and associated hydrocarbons from the Codell, Fort Hays, Carlile, and Niobrara Formations. The establishment of the drilling and spacing unit is not smaller than the area which can be efficiently and economically drained by the drilling of the requested horizontal wells to be drilled within the proposed unit.

7. Applicant herein requests the treated intervals of any horizontal well permitted under this Application should be located not less than 300 feet from proposed unit boundaries and not less than 150 feet from the treated interval of any other well producing or drilling from the Codell, Fort Hays, Carlile, and/or Niobrara Formations, without exception being granted by the Director.

8. Further, Applicant herein requests any permitted wells drilled under this Application should be located on no more than four multi-well pads within the drilling and spacing unit, or on adjacent lands with surface owner consent, without exception being granted by the Director.

9. The granting of this Application is in accord with the Oil and Gas Conservation Act found at §34-60-101, *et seq.*, C.R.S., and the COGCC rules.

10. Applicant requests that relief granted as result of this Application should be effective on oral order by the Commission, and Applicant hereby agrees to be bound by the oral order of the Commission.

11. That the names and addresses of interested parties (owners within the Application Lands and those owners of lands cornering or adjacent to the Application Lands) according to the information and belief of the Applicant are set forth in Exhibit B. The Applicant shall submit a certificate of service for the Application within seven days as required by Rule 503.e.

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

A. Vacating the approximate 640-acre drilling and spacing unit established by Order No. 535-69 for Section 27, Township 8 North, Range 59 West, 6<sup>th</sup> P.M., for production of oil, gas and associated hydrocarbons from the Niobrara Formation.

B. Establishing an approximate 1,280-acre drilling and spacing unit for the Application Lands, and authorizing the drilling of 14 horizontal wells within the proposed unit, for the production of oil, gas and associated hydrocarbons from the Codell, Fort Hays, Carlile, and Niobrara Formations, with the treated interval of any horizontal well permitted under this Application located not less than 300 feet from unit boundaries and not less than 150 feet from any other well producing or drilling from the Codell, Fort Hays, Carlile, and/or Niobrara Formations, without exception being granted by the Director.

C. Limiting the drilling of any permitted wells under this Application to no more than four multi-well pads within the drilling and spacing unit, or on adjacent lands with surface owner consent, without exception being granted by the Director.

D. For such other findings and orders as the Commission may deem proper or advisable given the premises.

DATED this 17<sup>th</sup> day of July, 2018.

Respectfully submitted,

CCRP OPERATING, INC.

By: *Robert A. Willis*

Robert A. Willis (Colorado Bar #26308)  
Poulson, Odell & Peterson, LLC  
1775 Sherman Street, Suite 1400  
Denver, CO 80203  
(303) 861-4400 (main)  
(303) 264-4418 (direct)

Applicant's Address:  
717 Seventeenth Street, Suite 1525  
Denver, CO 80202

VERIFICATION

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

Lawrence D. Lillo, Vice President-Land for CCRP Operating, Inc., 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.

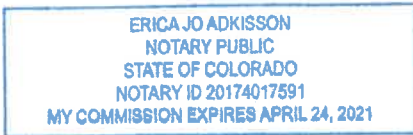
CCRP OPERATING, INC.

*Lawrence D. Lillo*  
Lawrence D. Lillo

Subscribed and sworn to before me this 17<sup>th</sup> day of July, 2018, by Lawrence D. Lillo, Vice President-Land for CCRP Operating, Inc.

Witness my hand and official seal.

My commission expires: 4-24-21



*Erica J. Adkisson*  
Notary Public

# Exhibit A

## Application Map



- Application Lands

Township 8 North, Range 59 West, 6<sup>th</sup> P.M.

	7	8	9	10	11	12			
	18	17	16	15	14	13			
	19	20	21	22	23	24			
	30	29	28	27	26	25			
	31	32	33	34	35	36			