

**BEFORE THE OIL & GAS CONSERVATION COMMISSION
OF THE STATE OF COLORADO**

IN THE MATTER OF AN APPLICATION BY LONGS
PEAK RESOURCES, LLC FOR AN ORDER TO,
AMONG OTHER THINGS, ESTABLISH AN
APPROXIMATE 1,191.94-ACRE DRILLING AND
SPACING UNIT AND AUTHORIZE UP TO SIX
HORIZONTAL WELLS FOR PRODUCTION FROM
THE CARLILE, CODELL AND FORT HAYS
FORMATIONS AND UP TO SEVEN HORIZONTAL
WELLS FOR PRODUCTION FROM THE NIOBRARA
FORMATION, ALL FOR SECTIONS 21 AND 28,
TOWNSHIP 12 NORTH, RANGE 67 WEST, 6TH P.M.,
UNNAMED FIELD, WELD COUNTY, COLORADO

CAUSE NO. 535

DOCKET NO.

TYPE: SPACING AND
DENSITY

APPLICATION

Longs Peak Resources, LLC, Operator No. 10611 ("LPR" or "Applicant"), by and through its attorneys, Beatty & Wozniak, P.C., respectfully submits this Application to the Oil and Gas Conservation Commission of the State of Colorado ("Commission") for an order to establish an approximate 1,191.94-acre drilling and spacing unit, and approve up to seven horizontal wells within the proposed unit, for production from the Niobrara Formation, and up to six horizontal wells within the proposed unit, for production from the Codell Formation, all for Sections 21 and 28, Township 12 North, Range 67 West, 6th P.M. 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 has registered as an operator with the Commission.

2. Applicant is an owner in the below-listed lands:

Township 12 North, Range 67 West, 6th P.M.

Section 21: All

Section 28: All

1,191.94-acres, more or less, Weld County, Colorado.

These lands are hereinafter referred to as the "Application Lands." A map depicting the acreage comprising the Application Lands is attached hereto and marked as Exhibit A.

3. Rule 318.a. of the Commission Rules provides a well to be drilled 2,500 feet or greater shall be located not less than 600 feet from any lease line, and shall be located not less than 1,200 feet from any other producible oil or gas well when drilling to the same common source of supply, unless authorized by the Commission upon hearing.

Establishing an approximate 1,191.94-acre Drilling and Spacing Unit

4. Pursuant to Rule 503.b.(1) and §34-60-116(2), C.R.S., Applicant requests the Commission establish the Application Lands as an approximate 1,191.94-acre drilling and spacing unit for the Niobrara, Fort Hays, Codell and Carlile Formations and approve up to six horizontal wells within the unit, for production from the Fort Hays, Codell and Carlile Formations, and approve up to seven horizontal wells within the unit, for production from the Niobrara Formation. For the Application Lands, the proposed drilling unit is not smaller than the maximum area that can be economically and efficiently drained by the horizontal wells proposed to be drilled under this Application and completed in the Niobrara, Fort Hays, Codell and Carlile Formations. There are no producing wells on the Application Lands.

Setbacks for Niobrara Wells

5. Applicant requests that setbacks for those wells drilled to the Niobrara Formation within the Application Lands be as follows:

a. Any horizontal wells to be drilled under this Application for production from the Niobrara Formation will be drilled from the surface of the drilling unit, or on adjacent lands with consent of the landowner, from no more than four (4) surface locations, unless an exception is granted by the Director.

b. The wellbores of any horizontal wells to be drilled under this Application may enter the Niobrara Formation anywhere within the unit, or on adjacent lands, without exception being granted by the Director.

c. For any permitted wells to be drilled under this Application for production from the Niobrara Formation, the treated intervals of the wells shall be not less than 150 feet from the treated interval of another well producing within the same unit, without exception being granted by the Director.

d. For any permitted wells to be drilled under this Application for production from the Niobrara Formation, the productive interval of any permitted well shall be located no closer than 300 feet from the unit boundary.

Setbacks for Fort Hays, Codell and Carlile Wells

6. Applicant requests that setbacks for those wells drilled to the Fort Hays, Codell and Carlile Formations within the Application Lands be as follows:

a. Any horizontal wells to be drilled under this Application for production from the Fort Hays, Codell and Carlile Formations will be drilled from the surface of the drilling unit, or on adjacent lands with consent of the landowner, from no more than four (4) surface locations, unless an exception is granted by the Director.

b. The wellbores of any horizontal wells to be drilled under this Application may enter the Fort Hays, Codell and Carlile Formations anywhere within the unit, or on adjacent lands, without exception being granted by the Director.

c. For any permitted wells to be drilled under this Application for production from the Fort Hays, Codell and Carlile Formations, the treated intervals of the wells shall be not less than 150 feet from the treated interval of another well producing from within the same unit, without exception being granted by the Director.

d. For any permitted wells to be drilled under this Application for production from the Fort Hays, Codell and Carlile Formations, the productive interval of any permitted well shall be located no closer than 400 feet from the eastern and western unit boundaries, and no closer than 300 feet from the northern and southern unit boundaries. The wells are to be drilled with a north/south orientation.

7. Applicant requests that relief granted under this Application should be effective on oral order by the Commission, and Applicant hereby agrees to be bound by said oral order.

8. 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 Commission rules.

9. The undersigned certifies that copies of this Application will be served on each interested party as required by Rule 507 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, that notice be given as required by law and that upon such hearing, this Commission enter its order:

A. Establishing an approximate 1,191.94-acre drilling and spacing unit for the Application Lands, and authorizing the drilling of up to six (6) horizontal wells within the proposed unit, for the production of oil, gas and associated hydrocarbons from the Fort Hays, Codell and Carlile Formations, and up to seven (7) horizontal wells within the proposed unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

B. Providing that the treated intervals of the wellbore of any well permitted to the Fort Hays, Codell and Carlile Formations to be located not less than 400 feet from the eastern and western boundaries of the proposed unit, not less than 300 feet from the northern and southern boundaries of the proposed unit, and not less than 150 feet from the treated interval of another well producing from within the same unit, unless an exception is granted by the Director.

C. Providing that the treated intervals of the wellbore of any well permitted to the Niobrara Formation to be located not less than 300 feet from the outer boundaries of the proposed unit, and not less than 150 feet from the treated interval of another well producing from within the same unit, unless an exception is granted by the Director.

D. Any horizontal wells to be drilled under this Application for production from the Niobrara, Fort Hays, Codell and Carlile Formations will be drilled from the surface of the drilling unit, or on adjacent lands with consent of the landowner, from no more than four (4) surface locations, unless an exception is granted by the Director.

E. Providing that relief granted under this Application be effective on oral order by the Commission, relying on the Applicant's desire to be bound by said oral order.

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

DATED this 19th day of July, 2018

Respectfully submitted,

Longs Peak Resources, LLC

By: 

James Parrot
Jillian Fulcher
Evan Bekkedahl
Beatty & Wozniak, P.C.
Attorneys for Applicant
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jparrot@bwenergylaw.com
jfulcher@bwenergylaw.com
ebekkedahl@bwenergylaw.com

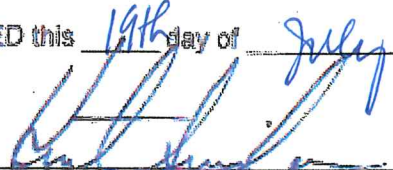
Address of Applicant

Vertex Energy Partners, LLC, as agent
for Longs Peak Resources, LLC
Kent Snider, Vice President-Land
215 Union Blvd., Suite 400
Lakewood, Colorado 80228

Affirmation

The matters described herein were all conducted under my direction and control. I hereby swear that to the best of my knowledge and belief, all of the matters set forth herein and in the exhibits are true, correct, and accurate.

DATED this 19th day of July, 2018.


Kent Snider, Vice President of Land
Vertex Energy Partners, LLC, as agent for
Longs Peak Resources, LLC

STATE OF COLORADO

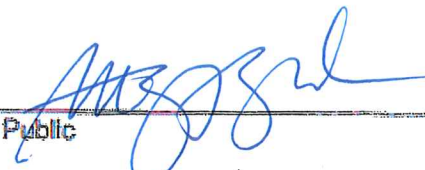
CITY AND COUNTY OF DENVER

)
) ss.
)

The foregoing instrument was subscribed and sworn to before me this 19th day of July, 2018, by Kent Snider, Vice President of Land for Vertex Energy Partners, LLC, as agent for Longs Peak Resources, LLC.

Witness my hand and official seal.

My commission expires: 2/29/19


Notary Public

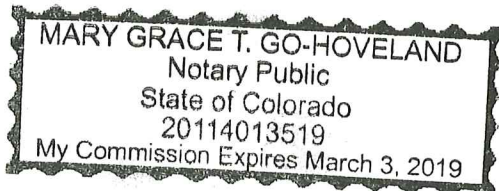


Exhibit A

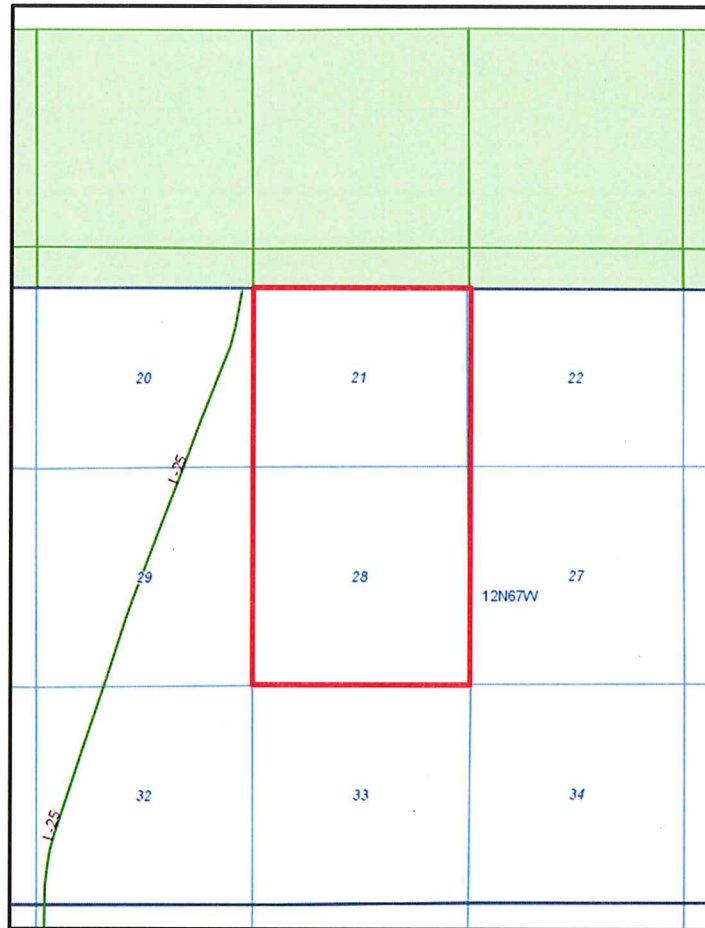
Reference Map for Application

Township 12 North, Range 67 West, 6th P.M.

Section 21: All

Section 28: All

1,191.94-acres, more or less, Weld County, Colorado.



= Application Lands



= State of Wyoming

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TYPE: SPACING AND DENSITY

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

That she is a Legal Assistant at Beatty & Wozniak, P.C., attorneys for Longs Peak Resources, LLC, and on or before the 26th day of July, 2018, 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 attached hereto.

Subscribed and sworn to before me this 19th day of July, 2018.

Notary Public



EXHIBIT A
INTERESTED PARTIES

8 NORTH, LLC
370 17TH ST., SUITE 5300
DENVER, CO 80202

COLORADO STATE LAND BOARD
1127 SHERMAN ST., SUITE 300
DENVER, CO 80202

BRANDON MARETTE, ENERGY LIAISON
COLORADO PARKS AND WILDLIFE
NORTHEAST REGION OFFICE
6060 BROADWAY
DENVER, CO 80216

TROY SWAIN
WELD COUNTY
DEPARTMENT OF PLANNING SERVICES
1555 NORTH 17TH AVENUE
GREELEY, CO 80631

ANADARKO LAND CORPORATION
1099 18TH ST., SUITE 1800
DENVER, CO 80202

LONGS PEAK RESOURCES
2323 SOUTH SHEPHERD DRIVE, SUITE 1150
HOUSTON, TX 77019

KENT KUSTER
OIL & GAS CONSULTANT COORDINATOR
COLORADO DEPARTMENT OF
PUBLIC HEALTH & ENVIRONMENT
4300 CHERRY CREEK DRIVE SOUTH
DENVER, CO 80246-1530