

**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 APPROVE 300' REDUCED
SETBACKS ON THE BOUNDARIES OF AN
APPROXIMATE 640-ACRE DRILLING AND
SPACING UNIT ESTABLISHED FOR SECTION
25, TOWNSHIP 8 NORTH, RANGE 62 WEST,
6TH P.M., FOR THE NIOBRARA, FORT HAYS,
CODELL AND CARLILE FORMATIONS,
UNNAMED FIELD, WELD COUNTY,
COLORADO

CAUSE NO. 535

DOCKET NO. 181000____

TYPE: EXCEPTION LOCATION

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 approve 300-foot reduced setbacks on the unit boundaries of an approximate 640-acre drilling and spacing unit established for Section 25, Township 8 North, Range 62 West, 6th P.M. for the efficient and economic production from 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 organized and authorized to conduct business in the State of Colorado, and is a registered operator in good standing with the Commission.

2. Applicant is an Owner as defined by the Colorado Oil and Gas Conservation Act and Commission Rules and owns leasehold interests or holds the right to operate on the following lands (hereafter "Application Lands"):

Township 8 North, Range 62 West, 6th P.M.
Section 25: All

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

A reference map of the Application Lands is attached hereto.

3. On February 22, 2011, the Commission entered Order No. 535-3 which, among other things, established an approximate 640-acre drilling and spacing unit for Section 25, Township 8 North, Range 62 West, 6th P.M., and allowed one horizontal well to be drilled from the unit for the production of oil, gas and associated hydrocarbons from the Niobrara Formation. Order No. 535-3 also established 600' setbacks from the

boundaries of the drilling and spacing unit without an exception being granted by the Director.

4. On August 1, 2018, the Commission entered Order No. 535-1049 which amended Order No. 535-3 to establish an approximate 640-acre drilling and spacing unit for the Application Lands and approve the drilling of 16 horizontal wells within the proposed unit, for production of oil, gas and associated hydrocarbons from the Niobrara, Fort Hays, Codell and Carlile Formations, with the productive interval of any producing well to be 600 feet from the unit boundaries and 150 feet from the productive interval of another well producing from the same supply within the unit.

5. To promote efficient drainage within the Niobrara, Fort Hays, Codell and Carlile Formations of the Application Lands, to protect correlative rights and to avoid waste, the Commission should approve 300-foot reduced setbacks for the boundaries of the approximate 640-acre drilling and spacing unit for the production, development and operation of oil, gas and associated hydrocarbons from the Niobrara, Fort Hays, Codell and Carlile Formations.

6. The above-proposed reduced setbacks will allow efficient drainage of the Niobrara, Fort Hays, Codell and Carlile Formations, will prevent waste, will not adversely affect correlative rights and will assure the greatest ultimate recovery of gas and associated hydrocarbon substances from the reservoirs.

7. The undersigned certifies that copies of this Application will be served on each interested party 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 on October 29-30, 2018, that notice be given as required by law, and that upon such hearing this Commission enter its order to:

A. Approve reduced productive interval setbacks of not less than 300' from the boundaries of an approximate 640-acre drilling and spacing unit established for Section 25, Township 8 North, Range 62 West, 6th P.M.

B. Find that the reduced setbacks on the unit boundaries of the approximate 640-acre drilling and spacing unit for the development of the Niobrara, Fort Hays, Codell and Carlile Formations on the Application Lands will prevent waste, protect correlative rights, and maximize the efficient and economic production of the Niobrara, Fort Hays, Codell and Carlile Formations on the Application Lands.

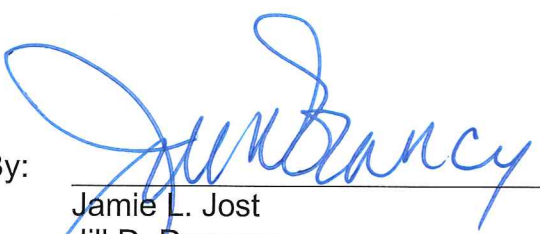
C. For such other findings and orders as the Commission may deem proper or advisable in this matter.

DATED August 29th, 2018.

Respectfully submitted:

MALLARD EXPLORATION, LLC

By: _____


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

)

) SS.

CITY AND COUNTY OF DENVER

i)

Jordan Mattson, of lawful age, being first duly sworn upon oath, deposes and says that he is a Vice President – Land for Mallard Exploration, LLC and that he has read the foregoing Application and that the matters therein contained are true to the best of his knowledge, information and belief.

Q/Q Math

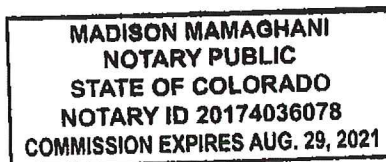
Jordan Mattson
Vice President - Land
Mallard Exploration, LLC

4.5

Subscribed and sworn to before me this 13rd day of August, 2018.

Witness my hand and official seal.

[SEAL]



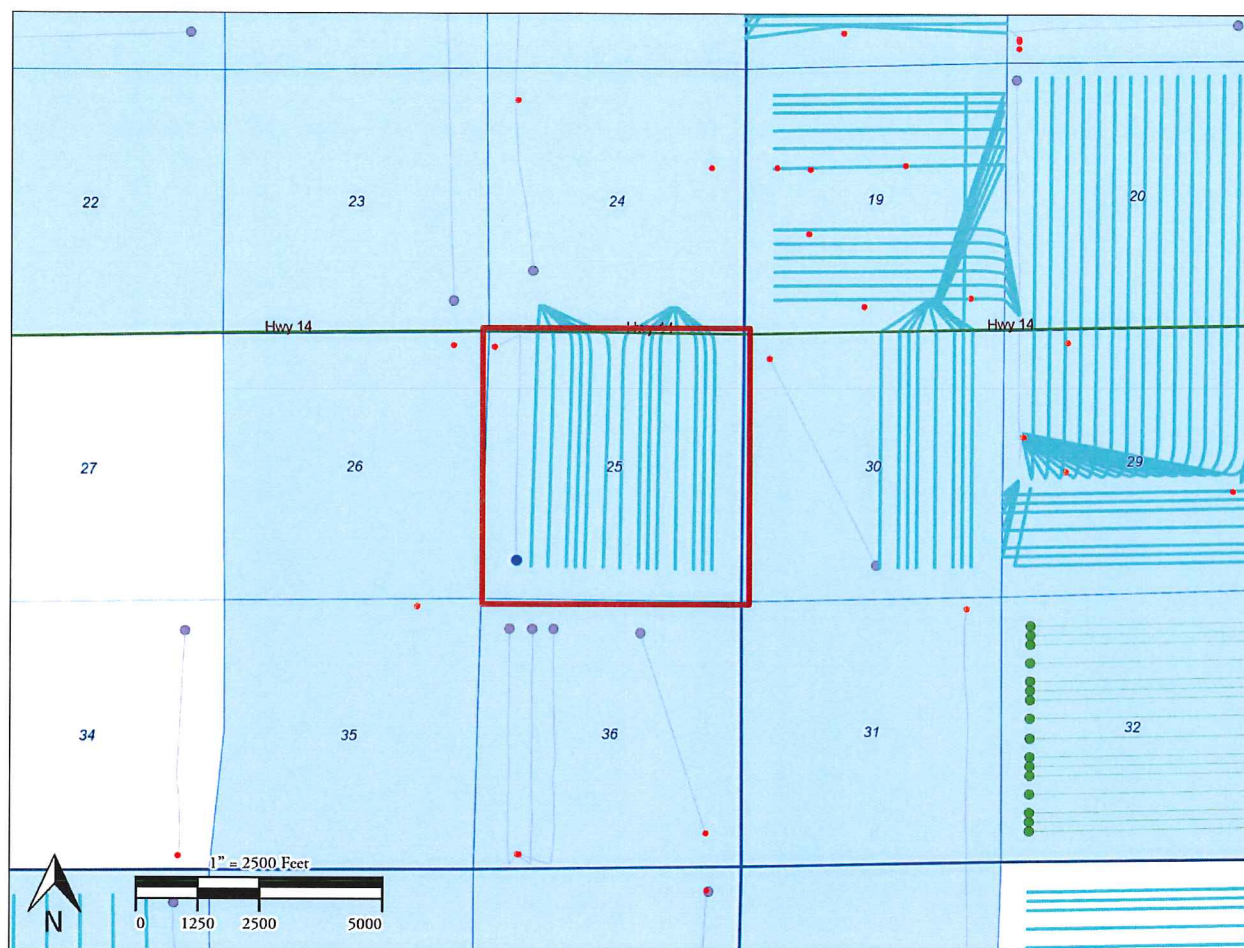
My commission expires: 8/29/21

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Notary Public

Reference Map


Section 25, Township 8 North, Range 62 West, 6th P.M.



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)ss.
CITY AND COUNTY OF DENVER)



Jamie L. Jost
Kelsey H. Wasylenky


Notary Public

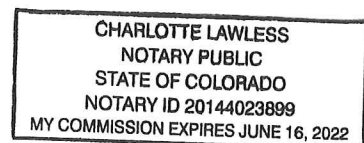


EXHIBIT A
T8N-R62W, Sec. 25

Red Hawk Petroleum, LLC
4125 Blackhawk Plaza Circle
Ste 201A
Danville, CA 94506

Verdad Resources, LLC
5950 Cedar Springs Road
Suite 200
Dallas, TX 75235

The Boni Freeman Irrevocable Trust
420 Main St.
Briggsdale, CO 80611

Denver Mineral & Royalty Company,
LLC
100 St. Paul St., Ste 400
Denver, CO 80206

G.F. Lang & Co.
19751 E. Mainstreet, Suite 334
Parker, CO 80138

Bureau of Land Management
2850 Youngfield Street
Lakewood, CO 80215

Noble Energy, Inc.
1625 Broadway, Ste 2200
Denver, CO 80202

Florence Schmidt
4458 Meade Street
Denver, CO 80200

Cristi Hinton
PO Box 1273
Jay, OK 74346

Ronnie E. Settles and Shirley P. Settles
5420 Greenley Gardens St., N.
Las Vegas, NV 89081

Prelude Petroleum, LLC
P.O. Box 8806
Denver, CO 80201

DPOC, LLC
1400 16th St., Ste 300
Denver, CO 80202

Bison Oil & Gas II, LLC
518 17th St., Ste 1800
Denver, CO 80202

Ward Petroleum Corporation
Box 1187
Enid, OK 73702

Bob E. White
3315 33 Ave. Ct.
Greeley, CO 80634

Rodeo Mineral Partners, LLC
PO Box 4631
Englewood, CO 80155

EOG Resources, Inc.
600 17th St., Ste 1000N
Denver, CO 80202

Peter V. R. Freeman II
46005 CR 83
Briggsdale, CO 80611

A. D. Lamm
3617 Oak Lawn Ave.
Dallas, TX 75240

SKV, LLC
P.O. Box 300687
Denver, CO 80218

WYOCO Royalty Partners, LLC
P.O. Box 280969
Lakewood, CO 80228

Swan Exploration, LLC
1235 North Loop West, Ste 500
Houston, TX 77008

Noble Energy WyCo, LLC
1625 Broadway, Suite 2200
Denver, CO 80202

MJM Energy Interests, LLC
1621 Central Ave.
Cheyenne, WY 82001

Cypress Income Fund, LLC
P.O. Box 910
Frisco, TX 75034

Sarah Ann Myers
204 Forestwood Drive
Durham, NC 27707

Eddye Dreyer, as Agent for Robert
Hootkins, MD
4925 Greenville Ave., Suite 900
Dallas, TX 75206

Eddye Dreyer, as Agent for Susan
Hootkins
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Dallas, TX 75206

Mudcat Investments, LLC
315 Dunes Blvd., Suite 603
Naples, FL 34110

Alluvium Resources
1138 Washington Ave.
New Orleans, LA 70130

Marylin J. Williamson
4906 Hart Drive NE
Piedmont, OK 73078

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

ACME Oil Corp., LLC
1051-D West Highway 34
Loveland, CO 80537

Incline Niobrara Partners, LP
5019 N. Central Expy
Dallas, TX 75205

Copperhead Production, LLC
P.O. Box 5297
Englewood, CO 80155

Hoffman Property Trust
P.O. Box 873
Addison, TX 75001

Edmund M. Hoffman Family Partnership
1999 Bryan St., Suite 3300
Dallas, TX 75201

Joseph F. Hoffman Living Trust
7655 E. 4th Ave.
Denver, CO 80230

Betty Jane Alcanter
P.O. Box 54
Fairview, KS 66425

Bena M. Schneider
1471 Grubbs Road
Sealy, TX 77474

Vextex, LLC
149 Sage Road
Houston, TX 77056

Amax Peach Ridge Inc.
11526 Gallant Ridge Lane
Houston, TX 77082

Bruce D. Carpenter
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Denver, CO 80201

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Denver, CO 80246-1530

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Greeley, CO 80631

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Northeast Regional Office
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Denver, CO 80216