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

IN THE MATTER OF THE APPLICATION)	CAUSE NO.	
OF THE PROMULGATION AND)		
ESTABLISHMENT OF FIELD RULES TO)	DOCKET NO.	
GOVERN OPERATIONS FOR THE)		
NIOBRARA FORMATION, WATTENBERG)	TYPE:	POOLING
FIELD WELD COUNTY COLORADO	j		

APPLICATION

PDC Energy, Inc. (Operator No. 69175) ("PDC"), by and through its attorneys, Burns, Figa, & Will, P.C., respectfully submits this Application to the Oil and Gas Conservation Commission of the State of Colorado (the "Commission") for an order pooling all interests within an approximate 640-acre Wellbore Spacing Unit, as further defined below, for the drilling of the Blanca 2N Well (API No. 05-123-46296) ("Well"), for the development of the Niobrara Formation on the following described lands:

Township 5 North, Range 64 West, 6th P.M.

Section 29: NW1/4, W1/2NE1/4

Section 30: N½

Township 5 North, Range 65 West, 6th P.M.

Section 25: E½NE¼

Weld County, Colorado, containing approximately 640.00 acres ("Application Lands")

In support of its Application, PDC states and alleges as follows:

- 1. PDC is a corporation duly authorized to do business in Colorado and is registered as an operator in good standing with the Commission.
- 2. PDC is an Owner with the right to drill into and produce from the Application Lands.
- 3. On April 27, 1998, the Commission adopted Rule 318A, which, among other things, allowed certain drilling locations to be utilized to drill or twin a well, deepen a well or recomplete a well, and to commingle any or all of the Cretaceous Age Formations from the base of the Dakota Formation to the surface. Rule 318A supersedes all prior Commission drilling and spacing orders affecting well location and density requirements of Greater Wattenberg Area wells. On December 5, 2005, Rule 318A was amended, among other things, to allow interior infill and boundary wells to be drilled and wellbore spacing units to be established. On August 8, 2011, Rule 318A was again amended, among other things, to address drilling of horizontal wells. The NW¼, W½NE¼ of Section 29 and the N½ of Section 30, Township 5 North, Range 64 West, 6th P.M., and the

E½NE¼ of Section 25, Township 5 North, Range 65 West, 6th P.M., are subject to Rule 318A for the Niobrara Formation.

- 4. On February 19, 1992, the Commission entered Order No. 407-87 (amended August 20, 1993) which, among other things, established 80-acre drilling and spacing units for the production of oil, gas, and associated hydrocarbons from the Codell-Niobrara Formations, the Codell Formation, and the Niobrara Formation underlying certain lands, including the NW¼, W½NE¼ of Section 29 and the N½ of Section 30, Township 5 North, Range 64 West, 6th P.M., and the E½NE¼ of Section 25, Township 5 North, Range 65 West, 6th P.M., with the permitted well locations in accordance with the provisions of Order 407-1.
- 5. On June 11, 2009, the Commission entered Order No. 407-332, which, among other things, pooled all non-consenting interests in an approximate 160-acre wellbore spacing unit for the SW¼NE¼, NW¼SE¼, SE¼NW¼, NE¼SW¼ of Section 30, Township 5 North, Range 64 West, 6th P.M., for the Conagra B #30-21 Well (API No. 05-123-28037), and an approximate 160-acre wellbore spacing unit for the S½NE¼, N½SE¼ of Section 30, Township 5 North, Range 64 West, 6th P.M., for the Conagra B #30-22 Well (API No. 05-123-28032), from the Codell and Niobrara Formations. Order No. 407-332 is not affected by this Application, and proceeds from any shared lands will be accounted for in the production of the Well.
- 6. On July 14, 2009, the Commission entered Order No. 407-334, which, among other things, pooled all non-consenting interests in an approximate 160-acre wellbore spacing unit for the W½NW¼ of Section 30, Township 5 North, Range 64 West, 6th P.M., and the E½NE¼ of Section 25, Township 5 North, Range 65 West, 6th P.M., for the Conagra B #30-31D Well (API No. 05-123-26997), from the Codell and Niobrara Formations. Order No. 407-334 is not affected by this Application, and proceeds from any shared lands will be accounted for in the production of the Well.
- 7. On August 18, 2009, the Commission entered Order No. 407-335, which, among other things, pooled all non-consenting interests in an approximate 160-acre wellbore spacing unit for the SW¼NW¼, NW¼SW¼ of Section 30, Township 4 North, Range 64 West, 6th P.M., and the SE¼NE¼, NE¼SE¼ of Section 25, Township 5 North, Range 65 West, 6th P.M., for the Conagra B #30-32D Well (API No. 05-321-26996), from the Codell and Niobrara Formations. Order No. 407-335 is not affected by this Application, and proceeds from any shared lands will be accounted for in the production of the Well.
- 8. On March 17, 2014, the Commission entered Order No. 407-985, which, among other things, pooled all non-consenting interests in an approximate 400-acre wellbore spacing unit for the SW¼SW¼ of Section 19 and the NW¼NW¼ of Section 30, Township 5 North, Range 64 West, 6th P.M., and the S½S½ of Section 24 and the N½N½ of Section 25, Township 5 North, Range 65 West, 6th P.M., for the LaSalle 25E-202 Well (API No. 05-123-37408), from the Niobrara Formation. Order No. 407-985 is not affected by this Application, and proceeds from any shared lands will be accounted for in the production of the Well.

- 9. Also on March 17, 2014, the Commission entered Order No. 407-986, which, among other things, pooled all non-consenting interests in an approximate 320-acre wellbore spacing unit for the N½ of Section 25, Township 5 North, Range 65 West, 6th P.M., for the LaSalle 25F-332 Well (API No. 05-123-37340), from the Niobrara Formation. Order No. 407-986 is not affected by this Application, and proceeds from any shared lands will be accounted for in the production of the Well.
- 10. On September 15, 2014, the Commission entered Order No. 407-1114, which, among other things, pooled all non-consenting interests in an approximate 400-acre wellbore spacing unit for the S½SE¼ of Section 24, and the N½NE¼ of Section 25, Township 5 North, Range 65 West, 6th P.M., and the S½SW¼, SW¼SE¼ of Section 19, and the N½NW¼, NW¼NE¼ of Section 30, Township 5 North, Range 64 West, 6th P.M., for the Maxey 24Q-302 Well (API No. 05-123-37775), from the Niobrara Formation. Order No. 407-1114 is not affected by this Application, and proceeds from any shared lands will be accounted for in the production of the Well.
- 11. Also on September 15, 2014, the Commission entered Order No. 407-1116, which, among other things, pooled all non-consenting interests in an approximate 400-acre wellbore spacing unit for the S½SE¼ of Section 24, and the N½NE¼ of Section 25, Township 5 North, Range 65 West, 6th P.M., and the S½SW¼, SW¼SE¼ of Section 19, and the N½NW¼, NW¼NE¼ of Section 30, Township 5 North, Range 64 West, 6th P.M., for the Maxey 24Q-112 Well (API No. 05-123-37776), from the Niobrara Formation. Order No. 407-1116 is not affected by this Application, and proceeds from any shared lands will be accounted for in the production of the Well.
- 12. On March 7, 2016, the Commission entered Order No. 407-1646, which, among other things, pooled all non-consenting interests in an approximate 720-acre wellbore spacing unit for the S½SE¼ of Section 19; S½S½ of Section 20; S½SW¼, SW¼SE¼ of Section 21; N½NW¼, NW¼NE¼ of Section 28; N½N½ of Section 29; and the N½NE¼ of Section 30, Township 5 North, Range 64 West, 6th P.M., for the Schneider 19Q-312 Well (API No. 05-123-39542), from the Niobrara Formation. Order No. 407-1646 is not affected by this Application, and proceeds from any shared lands will be accounted for in the production of the Well.
- 13. Also on March 7, 2016, the Commission entered Order No. 407-1647, which, among other things, pooled all non-consenting interests in an approximate 720-acre wellbore spacing unit for the S½SE¼ of Section 19; S½S½ of Section 20; S½SW¼, SW¼SE¼ of Section 21; N½NW¼, NW¼NE¼ of Section 28; N½N½ of Section 29; and the N½NE¼ of Section 30, Township 5 North, Range 64 West, 6th P.M., for the Schneider 19Q-202 Well (API No. 05-123-39541), from the Niobrara Formation. Order No. 407-1647 is not affected by this Application, and proceeds from any shared lands will be accounted for in the production of the Well.
- 14. On December 11, 2017, the Commission entered Order No. 407-2259, which, among other things, pooled all non-consenting interests in an approximate 640-acre wellbore spacing unit for the S½N½, N½S½ of Section 25, and the NE¼SW¼, SE¼NW¼, N½SE¼, S½NE¼ of Section 26, Township 5 North, Range 65 West, 6th P.M.,

and the SW½NW½, NW½SW½ of Section 30, Township 5 North, Range 64 West, 6th P.M., for the Bunting 26O-102 Well (API No. 05-123-44083), from the Niobrara Formation. Order No. 407-2259 is not affected by this Application, and proceeds from any shared lands will be accounted for in the production of the Well.

- 15. Also on December 11, 2017, the Commission entered Order No. 407-2260, which, among other things, pooled all non-consenting interests in an approximate 640-acre wellbore spacing unit for the S½N½, N½S½ of Section 25, and the NE¼SW¼, SE¼NW¼, N½SE¼, S½NE¼ of Section 26, Township 5 North, Range 65 West, 6th P.M., and the SW¼NW¼, NW¼SW¼ of Section 30, Township 5 North, Range 64 West, 6th P.M., for the Bunting 26O-212 Well (API No. 05-123-45701), from the Niobrara Formation. Order No. 407-2260 is not affected by this Application, and proceeds from any shared lands will be accounted for in the production of the Well.
- 16. Also on December 11, 2017, the Commission entered Order No. 407-2261, which, among other things, pooled all non-consenting interests in an approximate 640-acre wellbore spacing unit for the $S_2^{\prime}N_2^{\prime}$, $N_2^{\prime}S_2^{\prime}$ of Section 25, and the NE $_3^{\prime}S_3^{\prime$
- 17. As of the date of this Application, the COGCC has not published any additional orders affecting spacing of the Application Lands.
- 18. PDC designated an approximate 640-acre Wellbore Spacing Unit for the production of oil, gas, and associated hydrocarbons from the Niobrara Formation as provided by Rule 318A and notified the appropriate parties under Rule 318A.
- 19. Under the provisions of Rule 530 and C.R.S. § 34-60-116(6)–(7), PDC requests an order pooling all interests, including non-consenting interests and the ability to drill through all tracts, in the Application Lands for the development of the Niobrara Formation underlying an approximate 640-acre Wellbore Spacing Unit for the Blanca 2N Well (API No. 05-123-46296):

Township 5 North, Range 64 West, 6th P.M.

Section 29: NW1/4, W1/2NE1/4

Section 30: N½

Township 5 North, Range 65 West, 6th P.M.

Section 25: E½NE¼

Weld County, Colorado ("Wellbore Spacing Unit" in this Application)

20. PDC requests that the Commission's pooling order be made effective as of the earlier date of this Application, or the date that the costs specified in C.R.S. § 34-60-

116(7)(b)(II) are first incurred for the drilling of the Blanca 2N Well to the Niobrara Formation on the Application Lands.

- 21. PDC certifies that copies of this Application will be served on all owners of the mineral estate, as indicated and required by Rule 507.b(2), underlying the tracts of the Application Lands to be pooled within seven (7) days of the date hereof, and that at least sixty (60) days prior to the hearing on this matter, each such interest owner not already leased or voluntarily pooled will be offered the opportunity to lease, or to participate in the drilling of the Well, and will be provided with the information required by Rule 530. The list of such Interested Parties, with all known parties to be pooled, is attached as Exhibit A.
- 22. In order to prevent waste and to protect correlative rights, all interests and tracts in the Wellbore Spacing Unit should be pooled for the orderly drilling and development of the Niobrara Formation.

WHEREFORE, PDC respectfully requests that this matter be set for hearing at the next available opportunity, that notice be given as required by law, and that the Commission enter an Order:

- A. Pooling all interests in the Application Lands and the Wellbore Spacing Unit for the development of the Niobrara Formation;
- B. Providing that the Commission's pooling order is made effective as of the earlier date of the Application, or the date that the costs specified in C.R.S. § 34-60-116(7)(b)(II) are first incurred for the drilling of the Blanca 2N Well in the Wellbore Spacing Unit to the Niobrara Formation on the Application Lands:
- C. Providing that the interests of any owners with whom PDC has been unable to secure a lease, other agreement to participate in the drilling of the authorized well(s), or those who consented to be pooled are pooled by operation of statute, pursuant to C.R.S. § 34-60-116(7), and made subject to the cost recovery provisions thereof with respect to the Blanca 2N Well drilled to develop the Niobrara Formation in the Wellbore Spacing Unit comprised of the Application Lands; and
- D. Providing for such other findings and order as the Commission may deem proper or advisable in this matter.

[SIGNATURE PAGE FOLLOWS]

DATED this 29th day of August, 2018.

Respectfully submitted,

PDC Energy, Inc.

Bv:

Michael T. Vewell, Esq. #40902 Courtney M. Shephard, Esq. #47668

Burns, Figa & Will, P.C. 6400 S. Fiddler's Green Circle – Suite 1000 Greenwood Village, CO 80111

PDC Energy, Inc. Mr. Nicholas Lebsock, Regional Landman 1775 Sherman Street - Suite 3000 Denver, CO 80203

VERIFICATION

STATE OF COLORADO)
) ss
COUNTY OF DENVER)

The undersigned, of lawful age, having been first sworn upon his oath, deposes and states that:

- 1. He is a Regional Landman PDC Energy, Inc., which address is 1775 Sherman Street, Suite 3000, Denver, CO 80203.
- 2. He has read the attached application for the Blanca 2N Well, is familiar with the facts set forth therein, and states that said facts are true and correct to the best of his knowledge and belief.

Further Affiant sayeth not.

Ronald Nicholas Lebsock

Subscribed and sworn to before me this 22th day of August, 2018.

Witness my hand and official seal.

My commission expires:

1,2021

ELLIOT LESLIE GOLLEHON
Notary Public
State of Colorado
Notary ID # 20094000627
My Commission Expires 01-07-2021

EXHIBIT A

Interested Parties

Blanca 2N Well

"*" denotes the interested parties that \underline{may} be subject to the statutory cost recovery provisions of C.R.S. § 34-60-116.

PDC Energy, Inc.
Cowan Oil Company*
Incline Niobrara Partners LP
Alma L. Tisher & Kelly B. Tisher, JT
Anadarko E&P Onshore LLC
Andrews Capital Holdings, LLC
Argonaut Ventures, LLC
Barbara H. Irwin
Bettie Kaye Miller, a/k/a Bettie K. Miller
BLG Resources, LLC
Cade Oil and Gas, LLC
Carol E. Barrett & Ronnie A. Barrett, JT
Centennial Mineral Holdings, LLC
Clayton L. Vandergriff
Comanche Enterprises Inc.
Cynthia M. Spurlock
Cyril John Grossaint
DC Heritage Trust
De Soto Royalty Company, LLC
Donald P. Hill Trust dated July 9, 1999
DOXA Heritage Trust
Duell Family Irrevocable Trust dated May 26, 2015
FBO Investments LLLP
Fougasse Ventures, LLC
Grayrock Minerals, LLC
Harvey E. Cozzens Heritage Trust
Helen Crews
Incline Niobrara Partners, LP
James David Wicklatz
James H. Pluss
Janet K. Schmidt
Jean Marie Carpenter Mize
Joanne F. Hart & Gerald L. Hart, JT
John Allen Duell
John Herpers & Kristen Herpers, JT
John P. Allen

Johns Hopkins University
Jonathan S. Roderick, Trustee of the Jonathan S. Roderick Living Trust dated
February 8, 2007
Julius A. Pluss
Katharine Anne Wicklatz
Keith Joseph Grossaint
Kenneth D. Hill
Kristin Hoch Quinn
KRL Black River Royalty
Laura Elizabeth Leonard Insurance Trust
Lennan Main, Ltd.
LHB Ventures, LLC
Linda A. Wegher
Linda S. Cantrell
Lisa J. Johnson
Lorene Anne Carpenter Putnam
Louis A. Oswald, III, Trustee of the Oswald Family Trust dated April 27, 1998
Louise Keffler
Marise R. Downing
Mark Hamilton
Martha H. Salser
Mary K. Sheehan
McArthur Minerals, LLC
Mekusukey Oil Company, LLC
Mike's Oil Well, LLC
Monterrey Minerals, LLC
New Direction IRA, Inc., FBO Rita A. Cassell IRA
Noble Energy, Inc.
Norma J. Wegher
O. Paul Leonard, III
Oak Prairie Oil & Gas, L.L.C.
Odyssey Royalties, LLC
Paragon Oil & Gas LLC
Pepco, Inc.
Pumpkin Buttes LLC
Richard Jeffrey Grossaint
ROEC, Inc.
Rose M. Pluss
Rosemary Alene Mathis
Ryland Royalty
Sam Pluss, Jr.
Sayers H. Sarran
Sharon Eileen Brandt
Sister Mary Wegher
Tall Grass Energy, LLC

The Carpenter Trust created March 16, 1990 Trust B, Joan Y. Carpenter, Trustee				
The Fowler Revocable Living Trust, dated April 17, 2014, a/k/a The Fowler Revocable				
Trust dated April 17, 2014				
The Rita Cassell Living Trust, dated July 25, 2006				
Toni L. Dengler				
Trinity Resources LLC				
Virginia G. Nance				
Westco Family Limited Partnership				

EXHIBIT B

Plat

Blanca 2N Well

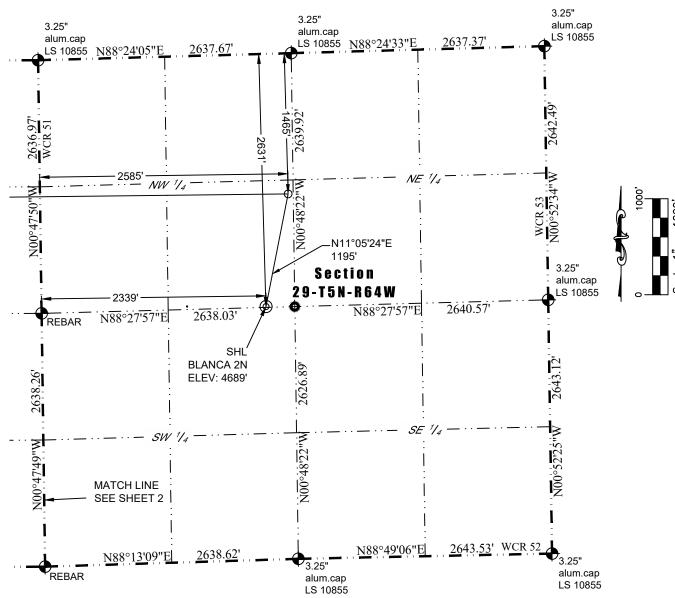
[ATTACHED]



WELL LOCATION CERTIFICATE

THIS MAP DOES NOT REPRESENT A BOUNDARY SURVEY

Washburn Land Surveying www.WashburnSurveying.com 970-232-9645



In accordance with a request from Paul Montville of PDC Energy, Inc., Washburn Land Surveying, LLC has determined the location of the BLANCA 2N well site to be SHL: 2631' FNL and 2339' FWL, (EP: 1465' FNL and 2585' FWL, BHL: 1465' FNL and 50' FWL), as measured at ninety (90) degrees from the section lines of Sections 29 and 30, Township 5 North, Range 64 West of the 6th Principal Meridian, Weld County Colorado.

Proposed Surface Hole Data: Latitude: N 40.3701755° Longitude: W 104.5747951°

PDOP: 1.3

Nearest Cultural Items: Building: 1372' NE Building Unit: 1377' SE Above Ground Utility: 298' NE Public Road: 2326' W

Proposed Entry Point Data: Latitude: N 40.3733882°

Longitude: W 104.5739262°

Property Line: 8' S

Proposed Bottom Hole Data: Latitude: N 40.3733670° Longitude: W 104.6017830°

Distance to nearest unit boundary: 1,171'

Railroad: 5252' NW High Occupancy Building Unit: +5280 Designated Outside Activity Area: +5280

Notes:

- 1) Bearings and distances based on NAD 83 Colorado North State Plane Coordinate. using RTK GPS observations taken 6/30/17 by operator Jason Dahlman.

 2) Conversion factor to ground (1.0002627827).

 3) Elevations based on NAVD 88 GPS heights and Geoid 2009 corrections.

 4) See Location Drawing for visible improvements within 500 feet of Pad Site.

- 5) The surface use is a cultivated field.

NOTICE: According to Colorado law you must commence any legal action based upon any defect in this W.L.C. within three years after you first discover such defect. In no event may any action based upon any defect in this W.L.C. be commenced more than ten years from this said date of the certification shown hereon.

LEGEND

- Found Survey Monument
- Calculated Location
- O Surface Hole Location (SHL)
- O Entry Point Location (EPL)
- X Bottom Hole Location (BHL)

I herepy certify that this Well Location Certificate was prepared by me or under my direct supervision on 16/106/2017 for and on behalf of PD. Energy, he That it is not a Land Survey Plat or an Improvement Survey Plat and that it is not to be celled upon for establishment of fences, buildings, or other future improvement lines.



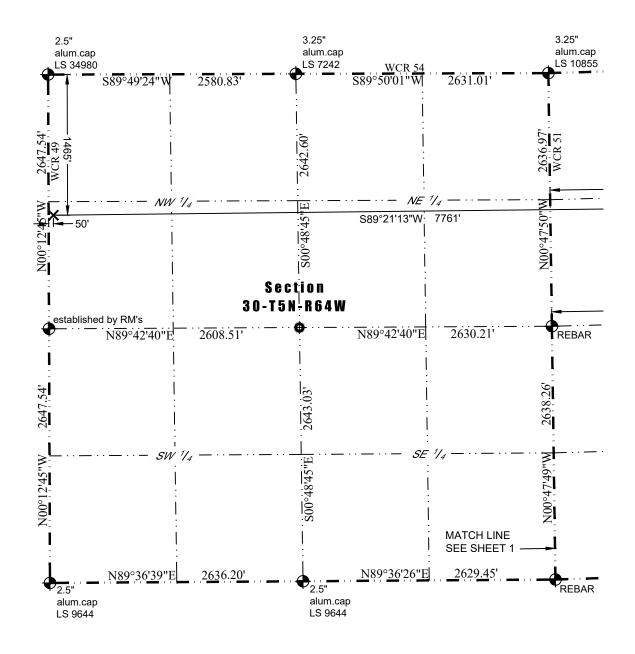
SHEET 1 OF 2



WELL LOCATION CERTIFICATE

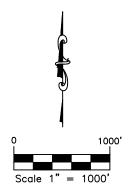
THIS MAP DOES NOT REPRESENT A BOUNDARY SURVEY

Washburn Land Surveying www.WashburnSurveying.com 970-232-9645





- Found Survey Monument
- - Calculated Location
- O Surface Hole Location (SHL)
- O Entry Point Location (EPL)
- x Bottom Hole Location (BHL)



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

IN THE MATTER OF THE APPLICATION			CAUSE NO.				
OF THE PROMULGATION AND) ESTABLISHMENT OF FIELD RULES TO) GOVERN OPERATIONS FOR THE) NIOBRARA FORMATION, WATTENBERG) FIELD, WELD COUNTY, COLORADO)	D) O)		DOCKET NO.	181000752			
		TYPE:	POOLING				
CERTIFICATE OF SERVICE							
Courtney M. Shephard, of lawful age, and being first duly sworn upon her oath, states and declares:							
That she is the attorney for PDC Energy, Inc., and that on September 5, 2018, she caused a copy of the Application submitted to COGCC on August 29, 2018, to be deposited in the United States Mail, postage prepaid, addressed to the interested parties with known addresses listed on Exhibit A to the Application.							
By: Courtney M. Shephard, Esq. License #47668							
	6400	0	s, Figa & Will, P.C. S. Fiddler's Green C าwood Village, CO 8				
STATE OF COLORADO)) SS.							
COUNTY OF ARAPAHOE)							
Subscribed and sworn to before me this	1 p		_ day of September,	2018.			
My commission expires: $6-3-201$	9						
	j	/		K			
PARASIA OLEKSIUK NOTARY PUBLIC STATE OF COLORADO	1						
NOTARY ID 20154021765 MY COMMISSION EXPIRES JUNE 3, 2019				it.			