

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)

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 400-acre Wellbore Spacing Unit, as further defined below, for the drilling of the Judy 6X-314 Well (API No. 05-123-45741) ("Well"), for the development of the Niobrara Formation on the following described lands:

Township 4 North, Range 64 West, 6th P.M.

Section 5: W $\frac{1}{2}$ SW $\frac{1}{4}$

Section 6: S $\frac{1}{2}$

Weld County, Colorado, containing approximately 400.00 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 W $\frac{1}{2}$ SW $\frac{1}{4}$ of Section 5 and the S $\frac{1}{2}$ of Section 6, Township 4 North, Range 64 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 W $\frac{1}{2}$ SW $\frac{1}{4}$ of Section 5 and the S $\frac{1}{2}$ of Section 6, Township 4 North, Range 64 West, 6th P.M., with the permitted well locations in accordance with the provisions of Order 407-1.

5. On May 16, 2011, the Commission entered Order No. 407-399, which, among other things, established an approximate 400-acre wellbore spacing unit for the Lower Latham PC G #12-69HN Well (API No. 05-123-33583) consisting of the SW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 6 and the NW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 7, Township 4 North, Range 64 West, 6th P.M., and the S $\frac{1}{2}$ S $\frac{1}{2}$ of Section 1 and the N $\frac{1}{2}$ N $\frac{1}{2}$ of Section 12, Township 4 North, Range 65 West, for the production of oil, gas, and associated hydrocarbons from the Niobrara Formation. PDC excludes from this Application the Lower Latham PC G #12-69HN Well and asserts that the production and payments from the Lower Latham PC G #12-69HN Well should be maintained under the authority of Order No. 407-399 and other applicable Commission orders and rules.

6. On August 8, 2011, the Commission entered Order No. 407-465, which, among other things, established an approximate 400-acre wellbore spacing unit for the Schmidt PC C #06-79HN Well (API No. 05-123-34238) consisting of the W $\frac{1}{2}$ W $\frac{1}{2}$ of Section 6, Township 4 North, Range 64 West, 6th P.M.; the E $\frac{1}{2}$ E $\frac{1}{2}$ of Section 1, Township 4 North, Range 65 West, 6th P.M.; the SW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 31, Township 5 North, Range 64 West, 6th P.M.; and the SE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 36, Township 5 North, Range 65 West, 6th P.M., for the production of oil, gas, and associated hydrocarbons from the Niobrara Formation. PDC excludes from this Application the Schmidt PC C #06-79HN Well and asserts that the production and payments from the Schmidt PC C #06-79HN Well should be maintained under the authority of Order No. 407-465 and other applicable Commission orders and rules.

7. As of the date of this Application, the COGCC has not published any additional orders affecting spacing of the Application Lands.

8. PDC designated an approximate 400-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.

9. 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 400-acre Wellbore Spacing Unit for the Judy 6X-314 Well (API No. 05-123-45741):

Township 4 North, Range 64 West, 6th P.M.

Section 5: W $\frac{1}{2}$ SW $\frac{1}{4}$

Section 6: S $\frac{1}{2}$

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

10. 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 Judy 6X-314 Well to the Niobrara Formation on the Application Lands.

11. 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.

12. 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 Judy 6X-314 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 Judy 6X-314 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.

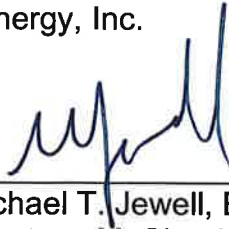
[SIGNATURE PAGE FOLLOWS]

DATED this 30th day of August, 2018.

Respectfully submitted,

PDC Energy, Inc.

By:



Michael T. Jewell, 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. Daniel R. McCoy
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 Judy 6X-314 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.



Daniel R. McCoy

Subscribed and sworn to before me this 30th day of August, 2018.

Witness my hand and official seal.

My commission expires: Nov. 20, 2020

MEGAN GUNNUFSON NOTARY PUBLIC STATE OF COLORADO NOTARY ID 20084036848 MY COMMISSION EXPIRES NOVEMBER 20, 2020



EXHIBIT A

Interested Parties

Judy 6X-314 Well

“*” denotes the interested parties that may be subject to the statutory cost recovery provisions of C.R.S. § 34-60-116.

PDC Energy, Inc.
Colorado Energy Minerals, Inc.*
Hoffman Management Corporation*
Albert Holman, Jr.
Aljan O & G, LLC
Arnold L. Goldblatt
Brigham Minerals, LLC
Dale D. Thomas and Marietta E. Thomas, joint tenants
Dietrich Family, LLLP
ESDR O & G LLC
ESMS O & G LLC
Farmers Reservoir and Irrigation Company
Fred J. Ley and Carol Ley, joint tenants, subject to Beneficiary Deed in favor of Justin John Ley, Jarold Edward Ley, Dayna Sue White, and Jace Anthony Ley, if living at the time of their parents' death, joint tenants
Gregory Robert Dinner
Incline Niobrara Partners, LP
Kristi Ann Dinner
Majenole, LLC
Estate of Melvin Dinner
Michael Jeffrey Dinner
North Colorado Medical Center Foundation
Principle Energy, L.L.C.
Rapidan Partners, LLC
Retova Resources, LP
Sally Alumbaugh
Sidney E. Dinner as Trustee of the Shirley S. Dinner Family Trust U/A/D January 18, 1994
Steven G. Wine
The Greeley National Bank, as Trustee of the Avis N. Roukema Family Trust
Tradewise, L.L.C.
United Amalgamated Consolidated, LLC
Water Oaks Capital Minerals, LLC
Wendy Sue Dinner
Wolfhawk Energy Holdings, LLC

EXHIBIT B

Plat

Judy 6X-314 Well

[ATTACHED]

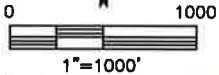
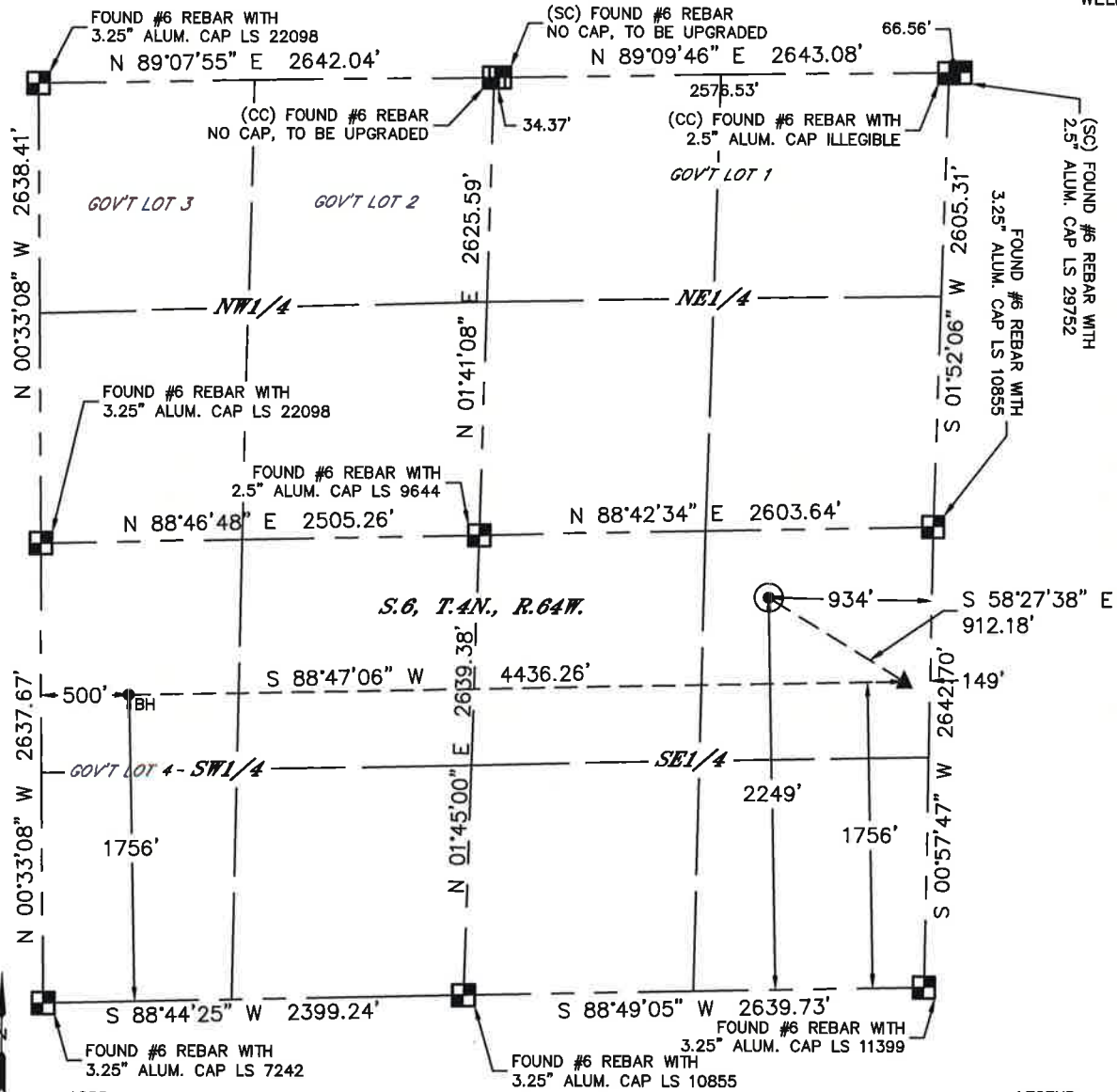


Lat40°, Inc. 6250 W. 10th Street, Unit 2, Greeley, CO 970-515-5294

WELL LOCATION CERTIFICATE

JUDY 6X-314

SECTION: 6
TOWNSHIP: 4N
RANGE: 64W
6TH. P.M.
WELD COUNTY, CO



- LEGEND**
- = ALIQUOT MONUMENT AS DESCRIBED
 - = CALCULATED POSITION
 - ⊙ = SURFACE HOLE LOCATION (SHL)
 - ▲ = ENTRY POINT LOCATION (EP)
 - _{BH} = BOTTOM HOLE LOCATION (BHL)
 - ⊕ = EXISTING WELL
 - ⊖ = ABANDONED WELL

CLIENT: PDC ENERGY			LANDMAN: JEFF HINDMARSH			
INSTRUMENT OPERATOR: JAKE STILLE			SURVEY DATE: 11/3/2016		SURFACE USE: CROP LAND	
SHL FOOTAGE	SHL LAT°	SHL LONG°	SHL PDOP	SHL ELEV (FT.)	SHL 1/4/1/4	SHL S-T-R
2249	FSL 934	FEL 40.34023	-104.58711	1.6	4796	NESE 6-4N-64W

BHL FOOTAGE	BHL LAT°	BHL LONG°	BHL S-T-R	EP LAT°	EP LONG°	EP S-T-R	
1756	FSL 500	FWL 40.33877	-104.60025	6-4N-64W	40.33890	-104.58434	6-4N-64W

NOTE:

- Bearings shown are Grid Bearings of the Colorado State Plane Coordinate System, North Zone, North American Datum 1983. The lineal dimensions as contained herein are based upon the "U.S. Survey Foot."
- Distances to section lines measured at 90 degrees from said section lines.
- Ground elevations are based on an observed GPS elevation (NAVD 1988 DATUM).
- Latitude and Longitude shown are (NAD 83 DATUM).
- IMPROVEMENTS: See LOCATION DRAWING for all visible improvements within 500' of oil and gas location.
- This map does not represent a boundary survey.

NEAREST CULTURAL ITEMS	
BUILDING	±701' SE
BUILDING UNIT	±847' SE
HIGH OCCUPANCY BUILDING UNIT	5280'+
DESIGNATED OUTSIDE ACTIVITY AREA	5280'+
PUBLIC ROAD (CR 51)	±920' E
ABOVE GROUND UTILITY	±959' E
RAILROAD	5280'+
PROPERTY LINE	±390' N



