

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

IN THE MATTER OF THE APPLICATION OF  
GMT EXPLORATION COMPANY LLC FOR AN  
ORDER TO ESTABLISH AN APPROXIMATE  
1,600-ACRE DRILLING AND SPACING UNIT  
AND TO APPROVE UP TO TEN (10)  
HORIZONTAL WELLS WITH WELL LOCATION  
RULES FOR THE NIOBRARA FORMATION IN  
SECTIONS 12, 13 AND THE N½ OF 24,  
TOWNSHIP 6 SOUTH, RANGE 65 WEST, 6<sup>TH</sup>  
P.M., UNNAMED FIELD, ELBERT COUNTY,  
COLORADO

CAUSE NO. 535

DOCKET NO. 181000\_\_\_\_

TYPE: SPACING

**APPLICATION**

GMT Exploration Company LLC (Operator No. 10243) ("Applicant" or "GMT"), by and through its attorneys, Jost Energy Law, P.C., respectfully submits this Application to the Oil and Gas Conservation Commission of the State of Colorado (the "Commission") for an order to establish an approximate 1,600-acre drilling and spacing unit and to approve up to ten (10) horizontal wells within the unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation underlying the below-described lands. In support of its Application, Applicant states and alleges as follows:

1. Applicant is a Colorado limited liability company duly organized and authorized to conduct business in the State of Colorado and is an operator in good standing with the Commission.

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

Township 6 South, Range 65 West, 6<sup>th</sup> P.M.

Section 12: All

Section 13: All

Section 24: N½

1,600 acres, more or less, Elbert County, Colorado.

A reference map of the Application Lands is attached hereto.

3. Rule 318.a. of the Commission Rules requires that, on unspaced lands, wells drilled in excess of 2,500 feet in depth be located not less than 600 feet from any lease line, and located not less than 1,200 feet from any other producible or drilling oil or

gas well when drilling to the same common source of supply. The Application Lands are subject to this Rule for the Niobrara Formation.

4. The records of the Commission reflect that no wells have been drilled or are producing from the Niobrara Formation on the Application Lands.

5. To promote efficient drainage within the Niobrara Formation of the Application Lands, to protect correlative rights and to avoid waste, the Commission should establish an approximate 1,600-acre drilling and spacing unit for the Application Lands, and approve up to ten (10) horizontal wells within the unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

6. The above proposed drilling and spacing unit will allow efficient drainage of the Niobrara Formation; 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. The unit of the size and shape specified above is not smaller than the maximum area that can be economically and efficiently drained by the proposed wells in the unit in compliance with §34-60-116(2) and (4), C.R.S.

7. Applicant is requesting to drill and complete up to ten (10) horizontal wells within the proposed unit in order to efficiently and economically recover the oil, gas and associated hydrocarbons from the Niobrara Formation within the Application Lands, and there will be no adverse effect on correlative rights of adjacent owners. Applicant intends to develop the proposed wells in a north/south or south/north orientation.

8. The Applicant maintains that there will be up to two (2) pad locations in the unit, or on adjacent lands thereto, unless an exception is granted by the Director.

9. The productive interval of each proposed horizontal well shall be no closer than 600 feet from the boundaries of the unit (regardless of the lease lines within the unit) and all horizontal wells shall be no closer than 150 feet from the productive interval of another well producing from the same source of supply within the unit, unless an exception is granted by the Director.

10. 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. Establish an approximate 1,600-acre drilling and spacing unit for Sections 12, 13 and the N½ of 24, Township 6 South, Range 65 West, 6<sup>th</sup> P.M., and approve up to ten (10) horizontal wells in the unit in order to efficiently and economically develop and recover the oil, gas and associated hydrocarbons from the Niobrara Formation in the unit;

B. Provide that the productive interval any horizontal well shall be no closer than 600 feet from the boundaries of the unit and not less than 150 feet from the productive interval of another well within the unit, and authorizing up to two well pads in the unit, or adjacent thereto, unless an exception is granted by the Director.

C. Finding that an approximate 1,600-acre drilling and spacing unit for the development of the Niobrara Formation on the Application Lands will prevent waste, protect correlative rights, and maximize the efficient and economic production of the Niobrara Formation in the Application Lands.

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

DATED this 30<sup>th</sup> day of August, 2018.

Respectfully submitted:

**GMT Exploration Company LLC**


By: 

\_\_\_\_\_  
Jamie L. Jost  
Kelsey H. Wasylenky  
Jost Energy Law, P.C.  
Attorneys for Applicant  
1401 17th Street, Suite 370  
Denver, Colorado 80202  
(720) 446-5620

Applicant's Address:

GMT Exploration Company LLC  
ATTN: Hans C. Schuster, CPL  
1560 Broadway, Suite 2000  
Denver, CO 80202

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



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

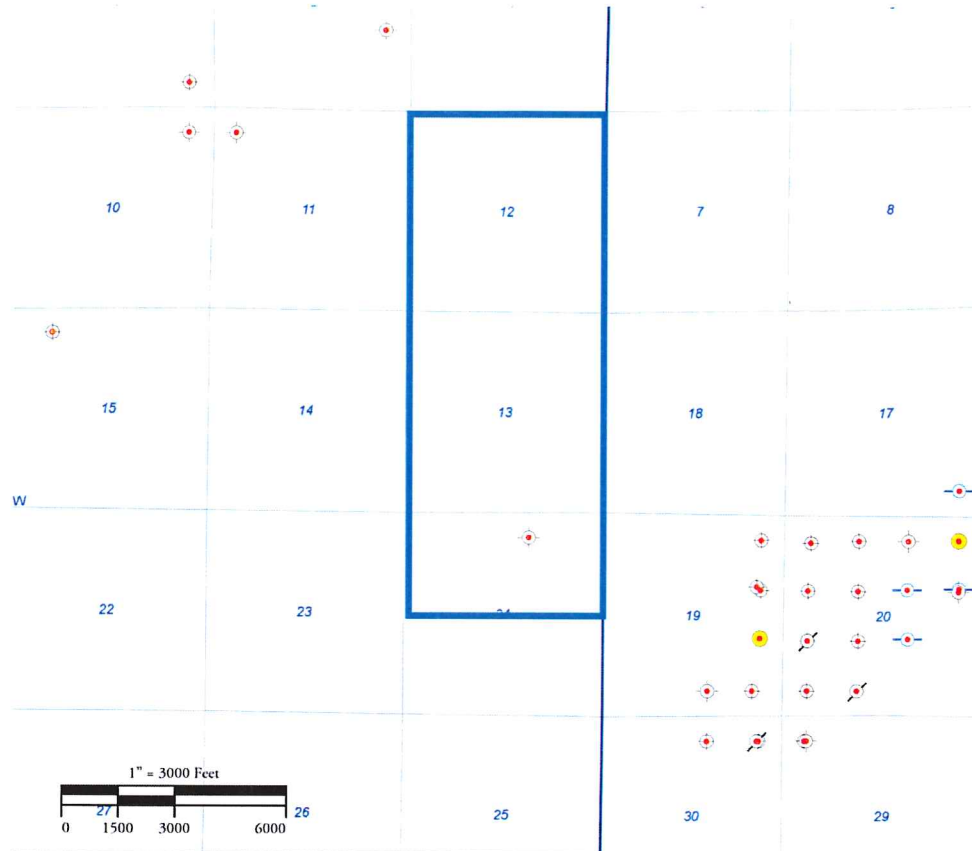
MARISSA VICTORIA WALTERS  
NOTARY PUBLIC, STATE OF COLORADO  
NOTARY ID 20114067317  
MY COMMISSION EXPIRES OCTOBER 14, 2019

My commission expires: 10/19/19

Notary Public

Reference Map  
GMT Exploration Company LLC

Sections 12, 13 and N½ of 24, Township 6 South, Range 65 West, 6<sup>th</sup> P.M.



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COLORADO

TYPE: SPACING

**RACHEL FLEMING**  
**NOTARY PUBLIC**  
**STATE OF COLORADO**  
**NOTARY ID 20144025048**  
**COMMISSION EXPIRES JUNE 24, 2022**

**Exhibit A**  
**GMT - SP SP T6S-R65W-Sec 12 & 13 & 24N2**

GMT Exploration Company, LLC  
1560 Broadway, Suite 2000  
Denver, CO 80202

Bison Exploration, LLC  
P.O. Box 1168  
Denver, CO 80201

Extraction Oil & Gas, Inc.  
370 17<sup>th</sup> Street, Suite 5300  
Denver, CO 80202

Lotus Land & Minerals, LLC  
P.O. Box 3982  
Centennial, CO 80161

James Heitman  
46000 Coal Creek Dr.  
Parker CO 80138

Marco E. Rollin  
Carole Rollin  
46153 Coal Creek Drive  
Parker, CO 80138

Pitcher Living Trust, dated September 30,  
2011  
Jill Pitcher and Lesley Roper, Trustees  
45795 Coal Creek Drive  
Parker, CO 80138

James Heitman  
46000 Coal Creek Drive  
Parker, CO 80138

Erik Bruce Raymond  
Crystal Marie Raymond  
45810 Coal Creek Drive  
Parker, CO 80138

Jeffrey Lynn Taylor  
2789 Winter Way  
Parker, CO 80138

Timothy D. Wilcox  
Terri J. Wilcox  
45415 Coal Creek Drive  
Parker, CO 80138

Michael D. Walters  
Janelle K. Walters  
45410 Coal Creek Drive  
Parker, CO 80138

Edward Nathan Berg  
Anne Cliftonette Ryder  
45580 Coal Creek Drive  
Parker, CO 80138

Christina Stanton  
Elbert County  
215 Comanche Street  
Kiowa, CO 80117

Kent Kuster  
Colorado Department of  
Public Health & Environment  
4300 Cherry Creek Drive South  
Denver, CO 80246-1530

Brandon Marette  
Energy Liaison  
Colorado Parks and Wildlife  
Northeast Regional Office  
6060 Broadway  
Denver, CO 80216