

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

IN THE MATTER OF THE PROMULGATION)	CAUSE NO.	407
AND ESTABLISHMENT OF FIELD RULES)		
TO GOVERN OPERATIONS FOR THE)	DOCKET NO.	181200855
NIOBRARA AND CODELL FORMATIONS,)		
WATTENBERG FIELD, WELD COUNTY,)	TYPE:	SPACING
COLORADO)		

NOTICE OF WITHDRAWAL OF COUNSEL

PLEASE TAKE NOTICE that Applicant PDC Energy, Inc. ("PDC"), by its attorneys, Burns, Figa & Will, P.C., hereby gives notice of withdrawal of counsel. Courtney M. Shephard withdraws as counsel of record for PDC in this matter. Michael T. Jewell will continue to represent PDC.

DATED this 14th day of November, 2018.

Respectfully submitted,

BURNS, FIGA & WILL, P.C.

By: Courtney M. Shephard
Courtney M. Shephard

Attorneys for PDC Energy, Inc.

CERTIFICATE OF SERVICE

I hereby certify that on November 14, 2018, Burns, Figa & Will, P.C. caused the foregoing Notice of Withdrawal of Counsel in Colorado Oil and Gas Conservation Commission Docket No. 181200855 to be served via electronic mail and by USPS to the Colorado Oil and Gas Conservation Commission pursuant to the applicable rules at the addresses listed below:

Colorado Oil and Gas Conservation Commission
Attn: Michael Eden, Hearing Officer
1120 Lincoln Street - Suite 801
Denver, CO 80203
michael.eden@state.co.us
dnr_hearingapplications@state.co.us

Courtney M. Shephard
Courtney M. Shephard
Burns, Figa & Will, P.C.

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APPLICATION

PDC Energy, Inc. (Operator No. 69175) ("PDC" or "Applicant"), 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 to: establish an approximate 1,440-acre drilling and spacing unit for the Application Lands for the production of oil, gas, and associated hydrocarbons from the Niobrara and Codell Formations, and approve up to twenty (20) horizontal wells drilled from a maximum of two (2) well pads for the production of oil, gas, and associated hydrocarbons from the Niobrara and Codell Formations on the following described lands:

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

Section 4: N $\frac{1}{2}$, N $\frac{1}{2}$ S $\frac{1}{2}$

Section 5: N $\frac{1}{2}$, N $\frac{1}{2}$ S $\frac{1}{2}$

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

Weld County, Colorado (containing a total of approximately 1,440 acres)

Referred to herein as the "Application Lands." A reference map depicting the Application Lands is attached hereto and marked as Exhibit B.

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, the Greater Wattenberg Area Special Well Location, Spacing and Unit Designation Rule. Sections 4, 5, and 6, Township 4 North, Range 64 West, 6th P.M., are subject to this rule for the Niobrara and Codell Formations.
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 Sections 4, 5, and 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 August 8, 2011, the Commission entered Order No. 407-452, which, among other things, established an approximate 320-acre wellbore spacing unit for the Schmidt PC C #06-69HC Well (API No. 05-123-34389) consisting of the N $\frac{1}{2}$ N $\frac{1}{2}$ of Section 5, Township 4 North, Range 64 West, 6th P.M., and the S $\frac{1}{2}$ S $\frac{1}{2}$ of Section 31, Township 5 North, Range 64 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 #06-69HC Well and asserts that the production and payments from the Schmidt PC C #06-69HC Well should be maintained under the authority of Order No. 407-452 and other applicable Commission orders and rules.

6. Also 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 excludes from this Application all existing vertical and directional wells located on the Application Lands, to the extent they are still producing, and asserts that the production and payments from the existing vertical and directional wells should be maintained under the authority of all applicable Commission rules and orders.

9. The Application Lands also contain the following permitted wells ("Excluded Permitted Wells"). PDC excludes from this Application the Excluded Permitted Wells and asserts that production and payments from the Excluded Permitted Wells should be maintained under the authority of all applicable Commission rules and orders.

- A. Judy 6X-314 Well (API No. 05-123-45741)
- B. Judy 6D-312 Well (API No. 05-123-45740)
- C. Harold 6X-204 Well (API No. 05-123-45753)
- D. Harold 6X-202 Well (API No. 05-123-45747)

- E. Wilmoth 5J-234 Well (API No. 05-123-45491)¹
- F. Wilmoth 5J-232 Well (API No. 05-123-45487)²

10. In this Application, PDC requests approval to drill twenty (20) wells for the production of hydrocarbons from the Niobrara and Codell Formations. In September, 2017, COGCC Permitting approved ten (10) PDC Wilmoth Wells (listed below, A. – J., plus as discussed in Section 11, below) for development in wellbore spacing units; in October 2017, COGCC Permitting approved ten (10) PDC Judy Wells (listed below, K. – T.) for development in wellbore spacing units. PDC requests that COGCC Permitting vacate the twenty (20) wellbore spacing units established under COGCC Rule 318A.a.(4)D for the below-listed PDC Wilmoth and Judy Wells (A. – T.) and PDC further requests that the Commission approve drilling and development of the below-listed wells within the approximate 1,440-acre drilling and spacing unit requested in this Application. As of the date of this Application, all approved APDs for the below-listed wells are active and none of the wells have been drilled. PDC submitted a Sundry Notice/Form 4 for each well to amend its spacing unit to conform to the approximate 1,440-acre drilling and spacing unit consisting of the Application Lands.

- A. Wilmoth 5A-202 Well (API No. 05-123-45483)
- B. Wilmoth E 5A-232 Well (API No. 05-123-45485)
- C. Wilmoth E 5A-302 Well (API No. 05-123-45490)
- D. Wilmoth E 5A-312 Well (API No. 05-123-45484)
- E. Wilmoth E 5K-312 Well (API No. 05-123-45480)
- F. Wilmoth W 5A-204 Well (API No. 05-123-45489)
- G. Wilmoth W 5A-214 Well (API No. 05-123-45481)
- H. Wilmoth W 5A-304 Well (API No. 05-123-45486)
- I. Wilmoth W 5A-314 Well (API No. 05-123-45482)
- J. Wilmoth W 5A-334 Well (API No. 05-123-45488)
- K. Judy 6D-212 Well (API No. 05-123-45735)
- L. Judy 6S-202 Well (API No. 05-123-45736)
- M. Judy 6S-204 Well (API No. 05-123-45745)

¹ See Section 11, below.

² See Section 11, below.

- N. Judy 6S-212 Well (API No. 05-123-45742)
- O. Judy 6S-214 Well (API No. 05-123-45737)
- P. Judy 6S-234 Well (API No. 05-123-45739)
- Q. Judy 6S-302 Well (API No. 05-123-45738)
- R. Judy 6S-314 Well (API No. 05-123-45744)
- S. Judy 6S-332 Well (API No. 05-123-45743)
- T. Judy 6S-334 Well (API No. 05-123-45734)

11. The Wilmoth 5J-234 Well (API No. 05-123-45491) and the Wilmoth 5J-232 Well (API No. 05-123-45487) were included in previous discussions with the COGCC concerning this drilling and spacing unit, however these two wells shall continue in their current wellbore spacing configuration and shall not be applied to this Application for development under this drilling and spacing unit.

12. The proposed approximate 1,440-acre drilling and spacing unit is not smaller than the maximum area that can be economically and efficiently drained by the proposed wells.

13. PDC requests that the Commission approve the development of up to twenty (20) horizontal wells in the proposed approximate 1,440-acre drilling and spacing unit for the production of oil, gas, and associated hydrocarbons from the Codell and Niobrara Formations. The proposed wells will be drilled from surface locations described in Rule 318A or on other lands with consent of the landowner, unless an exception is granted by the Director. The wells will be stacked by formation to comply with the minimum distances from the outer boundaries of the proposed drilling and spacing unit and from any other well producing from the Codell and Niobrara Formations.

14. Applicant states that, for any permitted wells to be drilled under this Application, the productive intervals of the wellbores shall be no less than 150 feet from the east and west unit boundaries, and no less than 460 feet from the north and south unit boundaries. Applicant further states that the interwell setbacks shall be no less than 150 feet from the productive interval of any other well producing from the Niobrara and Codell Formations unless an exception is granted by the Director.

15. Applicant states that any permitted wells will be drilled in an east-west orientation or a west-east orientation.

16. The proposed wells shall be drilled from a maximum of two (2) well pads located within the approximate 1,440-acre drilling and spacing unit, or on adjacent lands with consent of the landowner, unless an exception is granted by the Director.

17. The granting of this Application is in accordance with the Oil and Gas Conservation Act, C.R.S. § 34-60-101 et seq., and the Commission Rules.

18. PDC requests that the relief granted under this Application be effective upon oral order of the Commission, and PDC hereby agrees to be bound by such oral order.

19. Pursuant to discussions with the COGCC, PDC requests that this Application be received in the priority for the October 2018 COGCC hearings, however, that this Application not be docketed until the December 17-18, 2018 COGCC hearings. All timelines and procedural requirements for the December 17-18, 2018 COGCC hearings timeline, including timing of notices, shall apply.

20. The names of the interested parties, according to PDC's information and belief, are set forth in the attached Exhibit A, and the undersigned certifies that copies of this Application will be served on each interested party at least thirty-five (35) days in advance of the December 17-18, 2018 COGCC hearings, pursuant to Rule 507.

WHEREFORE, PDC respectfully requests that this matter be set for hearing at the December 17-18, 2018 COGCC hearings, that notice be given as required by law pursuant to the December 17-18, 2018 COGCC hearings, and that the Commission enter an Order to:

- A. Establish an approximate 1,440-acre drilling and spacing unit for the Application Lands and approve up to twenty (20) horizontal wells in the proposed unit, for production of oil, gas, and associated hydrocarbons from the Niobrara and Codell Formations;
- B. Require the productive interval of the wellbore of any permitted wells in the unit to be located no closer than 150 feet from the east and west unit boundaries, and no closer than 460 feet from the north and south unit boundaries;
- C. Require that the productive interval of the wellbore of any permitted wells in the unit be located no closer than 150 feet from the productive interval of any other wellbore located in the unit;
- D. Provide that the wells shall be drilled from a maximum of two (2) well pads within the unit subject to Rule 318A or on adjacent lands, unless an exception is granted by the Director; and
- E. Vacate the wellbore spacing units previously established under COGCC Rule 318A.a.(4)D for the Wilmoth 5A-202 Well (API No. 05-123-45483); Wilmoth E 5A-232 Well (API No. 05-123-45485); Wilmoth E 5A-302 Well (API No. 05-123-45490); Wilmoth E 5A-312 Well (API No. 05-123-45484); Wilmoth E 5K-312 Well (API No. 05-123-45480); Wilmoth W 5A-204 Well (API No. 05-123-45489); Wilmoth W 5A-214 Well (API No. 05-123-45481); Wilmoth W 5A-304 Well (API No. 05-123-45486); Wilmoth W 5A-314 Well (API No.

05-123-45482); Wilmoth W 5A-334 Well (API No. 05-123-45488); Judy 6D-212 Well (API No. 05-123-45735); Judy 6S-202 Well (API No. 05-123-45736); Judy 6S-204 Well (API No. 05-123-45745); Judy 6S-212 Well (API No. 05-123-45742); Judy 6S-214 Well (API No. 05-123-45737); Judy 6S-234 Well (API No. 05-123-45739); Judy 6S-302 Well (API No. 05-123-45738); Judy 6S-314 Well (API No. 05-123-45744)' Judy 6S-332 Well (API No. 05-123-45743); and the Judy 6S-334 Well (API No. 05-123-45734).

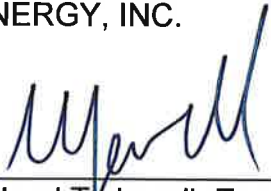
[SIGNATURE PAGE FOLLOWS]

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.
CITY AND 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 for PDC Energy, Inc., whose address is 1775 Sherman Street, Suite 3000, Denver, CO 80203.

2. He has read the within application, 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: Jan. 7, 2021

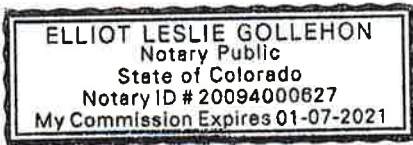




Exhibit A

Interested Party List
Spacing Application

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

Section 4: N $\frac{1}{2}$, N $\frac{1}{2}$ S $\frac{1}{2}$

Section 5: N $\frac{1}{2}$, N $\frac{1}{2}$ S $\frac{1}{2}$

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

PDC Energy, Inc.	Weld County Department of Planning Services
Colorado Parks and Wildlife	Colorado Department of Public Health & Environment
Noble Energy WyCo, LLC	Noble Energy, Inc.
Cody W. Orr	Interra, LLC
Principal Energy, LLC	Rapidan Partners, LLC
David J. Calvin	Incline Niobrara Partners, LP
Tenison Oil Company	Colorado Energy Minerals, Inc.
Hoffman Management Corp.	Raymond G. Schmier
Alice K. Schmeir	James Leland and Mary Lou Rogers, JT
SW Production Company	

Exhibit B

Reference Map of Application Lands

