

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

IN THE MATTER OF THE <b>AMENDED</b>	)	Cause No. 407
APPLICATION OF EXTRACTION OIL &	)	
GAS, INC. FOR AN ORDER VACATING	)	Docket No. 181200885
ORDER NOS. 407-1943, 407-1944, 407-	)	
1945 AND ESTABLISHING AN	)	Type: SPACING
APPROXIMATE 800-ACRE DRILLING AND	)	
SPACING UNIT WITH WELL LOCATION	)	
RULES APPLICABLE TO THE DRILLING	)	
AND PRODUCING OF WELLS FROM THE	)	
NIOBARRA AND CODELL FORMATIONS	)	
FOR CERTAIN LANDS IN TOWNSHIP 5	)	
NORTH, RANGE 65 WEST, 6TH P.M.,	)	
WATTENBERG FIELD, WELD COUNTY,	)	
COLORADO.	)	

**AMENDED APPLICATION**

Extraction Oil & Gas, Inc. ("Applicant"), Operator No. 10459, by its attorneys, Welborn Sullivan Meck & Tooley, P.C., respectfully submits this **Amended** Application to the Oil and Gas Conservation Commission of the State of Colorado ("Commission") for an order vacating Order Nos. 407-1943, 407-1944, and 407-1945 establishing an approximate 800-acre drilling and spacing unit and approving up to ten (10) horizontal wells within the unit, with well location rules applicable to the drilling of wells and producing of oil, gas and associated hydrocarbons from the Niobrara and Codell Formations within certain lands in Township 5 North, Range 65 West, 6th P.M., Weld County, Colorado. In support of its **Amended** Application, Applicant states:

1. Applicant owns leasehold interests and is an Owner with a right to drill in the following lands (Application Lands):

Township 5 North, Range 65 West, 6th P.M.  
Section 15: S½  
Section 16: S½  
Section 17: SE¼

A reference map of the Application Lands is attached as Exhibit B hereto.

2. On April 27, 1988, the Commission adopted Rule 318A, the Greater Wattenberg Area Special Well Location, Spacing and Unit Designation Rule, which was amended on August 8, 2011 to, among other things, address the drilling of horizontal wells and requires that a horizontal wellbore spacing unit must include any governmental quarter-quarter section that is located less than 460' from the completed

interval of the wellbore lateral. Rule 318A supersedes all prior Commission drilling and spacing orders affecting well location and density requirements of the Greater Wattenberg Area. The Rule does not, however, prohibit the establishment of drilling and spacing units within the Greater Wattenberg Area.

3. On October 27, 2012, the Lorenz F #22-69HN well (API # 05-123-35769) was drilled in a 320-acre Rule 318A horizontal wellbore spacing unit covering the S $\frac{1}{2}$ S $\frac{1}{2}$  of Section 15 and the N $\frac{1}{2}$ N $\frac{1}{2}$  of Section 22, Township 5 North, Range 65 West, for the development and operation of the Niobrara Formation. No Commission pooling orders have been entered on this unit. While the S $\frac{1}{2}$ S $\frac{1}{2}$  of Section 15 of the Application Lands is within wellbore spacing unit, the Lorenz F #22-69HN wellbore is located entirely within Section 22 and outside the Application Lands. A review of Commission records as of the date of filing this Application did not reveal an applicable pooling order to the Lorenz F #22-69HN well. Nevertheless, Applicant requests that the aforementioned wellbore spacing unit and well remain subject to the respective governing rules and orders and production allocated according thereto.

4. On June 6, 2016, the Commission entered Order No. 407-1739, which, among other things, pooled all interests in three 560-acre Rule 318A horizontal wellbore spacing units covering the S $\frac{1}{2}$ N $\frac{1}{2}$  and N $\frac{1}{2}$ S $\frac{1}{2}$  of Section 15 and the S $\frac{1}{2}$ NE $\frac{1}{4}$ , SE $\frac{1}{4}$ NW $\frac{1}{4}$ , N $\frac{1}{2}$ SE $\frac{1}{4}$ , and NE $\frac{1}{4}$ SW $\frac{1}{4}$  of Section 16, Township 5 North, Range 65 West, 6th P.M., for the Carlson J-15-16HN Well (API #05-123-41709), the Carlson K-15-16HC Well (API #05-123-41712), and the Carlson L-15-16HN Well (API #05-123-41715) for the development and operation of the Codell and Niobrara Formations. While the N $\frac{1}{2}$ S $\frac{1}{2}$  of Section 15 and the N $\frac{1}{2}$ SE $\frac{1}{4}$  and NE $\frac{1}{4}$ SW $\frac{1}{4}$  of Section 16 of the Application Lands are subject to Order No. 407-1739, the Carlson wellbores are located entirely within the N $\frac{1}{2}$  of Sections 15 and 16 and outside the Application Lands. Applicant requests that the aforementioned wellbore spacing units and wells remain subject to the respective governing rules and orders and production allocated according thereto.

5. On January 24, 2017, the Alles 22I-401 Well (API #05-123-43443) was drilled in a 560-acre Rule 318A horizontal wellbore spacing unit covering the W $\frac{1}{2}$ W $\frac{1}{2}$  of Section 14, the E $\frac{1}{2}$ E $\frac{1}{2}$  of Section 15, the E $\frac{1}{2}$ NE $\frac{1}{4}$  and NE $\frac{1}{4}$ SE $\frac{1}{4}$  of Section 22, and the W $\frac{1}{2}$ NW $\frac{1}{4}$  and NW $\frac{1}{4}$ SW $\frac{1}{4}$  of Section 23, Township 5 North, Range 65 West, 6th P.M. for the development and operation of the Codell Formation. While the E $\frac{1}{2}$ E $\frac{1}{2}$  of Section 15 of the Application Lands is within wellbore spacing unit, the Alles 22I-401 wellbore is located entirely outside the Application Lands. A review of Commission records as of the date of filing this Application did not reveal an applicable pooling order to the Alles 22I-401 well. Nevertheless, Applicant requests that the aforementioned wellbore spacing unit and well remain subject to the respective governing rules and orders and production allocated according thereto.

6. On May 1, 2017, the Commission entered Order No. 407-1943, which pooled all interests in three approximate 560-acre Rule 318A horizontal wellbore spacing units covering S $\frac{1}{2}$ N $\frac{1}{2}$ , N $\frac{1}{2}$ S $\frac{1}{2}$  of Section 16 and the SE $\frac{1}{4}$ NW $\frac{1}{4}$ , NE $\frac{1}{4}$ SW $\frac{1}{4}$ , S $\frac{1}{2}$ NE $\frac{1}{4}$ , N $\frac{1}{2}$ SE $\frac{1}{4}$  of Section 17, Township 5 North, Range 65 West, 6th P.M., for the

Vetting #12 well (API #05-123-44392), Vetting #13 well (API #05-123-44389), and Vetting #14 well (API #05-123-44393) for the development and operation of the Codell and Niobrara Formations. The N $\frac{1}{2}$ S $\frac{1}{2}$  of Section 16 and the N $\frac{1}{2}$ SE $\frac{1}{4}$  of Section 17 of the Application Lands are subject to Order No. 407-1943. Extraction is the operator of the Vetting #12 - #14 wells.

7. On May 1, 2017, the Commission entered Order No. 407-1944, which pooled all interests in eight approximate 560-acre Rule 318A horizontal wellbore spacing units covering S $\frac{1}{2}$  of Section 16 and the E $\frac{1}{2}$ SW $\frac{1}{4}$  and SE $\frac{1}{4}$  of Section 17, Township 5 North, Range 65 West, 6th P.M., for the Vetting #15 well (API #05-123-44394), Vetting #16 well (API #05-123-44385), Vetting #17 well (API #05-123-44384), **Vetting #18 well (API #05-123-44390)**, Vetting #19 well (API #05-123-44387 44390), Vetting #20 well (API #05-123-44386), Vetting #21 well (API #05-123-44388), and Vetting #22 well (API #05-123-44383) for the development and operation of the Codell and Niobrara Formations. The S $\frac{1}{2}$  of Section 16 and the SE $\frac{1}{4}$  of Section 17 of the Application Lands are subject to Order No. 407-1944. Extraction is the operator of the Vetting #15 - #22 wells.

8. On May 1, 2017, the Commission entered Order No. 407-1945, which pooled all interests in two approximate 560-acre Rule 318A horizontal wellbore spacing units covering S $\frac{1}{2}$ S $\frac{1}{2}$  of Section 16, the SE $\frac{1}{4}$ SW $\frac{1}{4}$  and S $\frac{1}{2}$ SE $\frac{1}{4}$  of Section 17, the NE $\frac{1}{4}$ NW $\frac{1}{4}$  and N $\frac{1}{2}$ NE $\frac{1}{4}$  of Section 20 and the N $\frac{1}{2}$ NW $\frac{1}{4}$  and N $\frac{1}{2}$ NE $\frac{1}{4}$  of Section 21, Township 5 North, Range 65 West, 6th P.M., for the Vetting #23 well (API #05-123-44382) and Vetting #24 well (API #05-123-44391) for the development and operation of the Niobrara Formation. The S $\frac{1}{2}$ S $\frac{1}{2}$  of Section 16 and the S $\frac{1}{2}$ SE $\frac{1}{4}$  of Section 17 of the Application Lands are subject to Order No. 407-1945. Extraction is the operator of the Vetting #23 and #24 wells.

9. There are numerous vertical and directional wells within the above-proposed 800-acre drilling and spacing unit that may be producing from the Niobrara Formation, the Codell Formation, and the Niobrara-Codell Formations. Applicant states that production from those wells, not operated by Extraction, continue to be allocated according to their respective governing rules and orders. With respect to the wells Extraction operates, Extraction intends to plug and abandon those wells upon establishment of production from the first horizontal well drilled in the proposed drilling and spacing unit.

10. To promote efficient drainage of the Niobrara and Codell Formations in the Application Lands and to assist in preventing waste, the Commission should vacate Order Nos. 407-1943, 407-1944, and 407-1945 and establish an approximate 800-acre drilling and spacing unit for the below-described Application Lands for production of oil, gas and associated hydrocarbons from the Niobrara and Codell Formations:

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

Section 15: S $\frac{1}{2}$

Section 16: S $\frac{1}{2}$

Section 17: SE¼

11. Applicant requests authority to drill and complete one (1) horizontal well in the above-described approximate 800-acre drilling and spacing unit, with the option to drill and complete up to a total of ten (10) horizontal wells within the unit. Applicant requests authority to drill only those wells necessary to determine the well density which allows the most efficient drainage of the Niobrara and Codell Formations, prevents waste, does not adversely affect correlative rights, and assures the greatest ultimate recovery of oil, gas and associated hydrocarbons.

12. Applicant requests that the treated interval of each wellbore within the unit be no closer than 150 feet from the treated interval of any other wellbore producing from the Niobrara or Codell Formations, and no closer than 460 feet from the unit boundary, without exception being granted by the Director.

13. Applicant maintains that proposed drilling and spacing unit is not smaller than the maximum area that can be economically and efficiently drained by the requested number of wells within the unit. Applicant further maintains that wells drilled in the above-proposed drilling and spacing unit will have no adverse effect on correlative rights of adjacent owners.

14. Applicant states that the wells be drilled and operated from no more than one surface location within the unit and/or at a legal location on adjacent lands, without exception granted by the Director.

15. The names of the interested parties according to the information and belief of the Applicant are set forth in Exhibit A attached hereto and made a part hereof, and the undersigned certifies that copies of the Application, were served on each interested party within seven days after filing of the Application as required by the Rules 503.e and 507.b.(1). Applicant further certifies that each interested party will be delivered notice at least 35 days in advance of the date of hearing.

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WHEREFORE, Applicant respectfully requests that this matter be set for hearing, that notice be given as required by law and that, upon such hearing, this Commission enter its order consistent with Applicant's proposals as set forth above.

Dated this **7th day of November**, 2018.

Respectfully submitted,

WELBORN SULLIVAN MECK & TOOLEY, P.C.

By: 

Joseph C. Pierzchala  
Geoffrey W. Storm  
Welborn Sullivan Meck & Tooley, P.C.  
Attorneys for Applicant  
1125 17th Street, Suite 2200  
Denver, Colorado 80202  
303-830-2500  
jpierzchala@wsmtlaw.com  
gstorm@wsmtlaw.com

Applicant's Address:

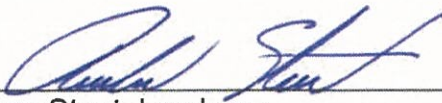
Extraction Oil & Gas, Inc.  
370 17th Street, Suite 5300  
Denver, CO 80202  
Attn: Drew Stout  
Phone: 720-557-8325

VERIFICATION

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

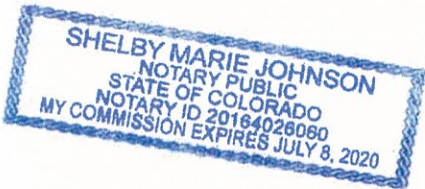
Drew Stout, Landman with Extraction Oil & Gas, Inc., upon oath deposes and says that he has read the foregoing **Amended** Application and that the statements contained therein are true to the best of his knowledge, information and belief.

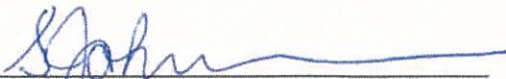
EXTRACTION OIL & GAS, INC.

  
\_\_\_\_\_  
Drew Stout, Landman

Subscribed and sworn to before me this 7th day of November, 2018 by Drew Stout, Landman for Extraction Oil & Gas, Inc.

Witness my hand and official seal.



  
\_\_\_\_\_  
Notary Public

My Commission Expires: 7/8/2020

EXHIBIT A

PARTIES ENTITLED TO NOTICE UNDER RULE 507.c.

**Greeley Municipality**

Brad Mueller  
City of Greeley  
1100 10th Street, Suite 202  
Greeley, CO 80631

**Evans Municipality**

Fred Starr  
City of Evans  
1100 37th Street  
Evans, CO 80620

**Weld County**

Jason Maxey  
1555 North 17th Avenue  
Greeley, CO 80631

**Colorado Department of Public Health and Environment**

4300 Cherry Creek Drive South  
Denver, CO 80246-1500

**Colorado Parks and Wildlife**

Brandon Marette  
Northeast Region Office  
6060 Broadway  
Denver, CO 80216

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EXHIBIT A CONTINUED ON NEXT PAGE

EXHIBIT A  
INTERESTED PARTIES

**(Alphabetical by first name)**

24TH ST PROPERTIES LLC  
9TH AVENUE APARTMENTS LLC  
A & G CONCEPTS INC  
A.L. HARRINGTON, TRUSTEE  
ADRIAN O. TARIN AND LUZ ESTELA  
TARIN  
ALETA P. CARPENTER AND VERNON  
D. CARPENTER  
ANADARKO CORPORATION  
ANADARKO E&P ONSHORE LLC  
ATOMIC CAPITAL MINERALS LLC  
B&B REAL ESTATE LLC  
BAYSWATER BLENHEIM HOLDINGS  
II, LLC  
BAYSWATER EXPLORATION AND  
PRODUCTION LLC & BAYSWATER  
BLINHEIM HOLDINGS II, LLC  
BAYSWATER EXPLORATION E&P  
BENSON MINERAL GROUP,  
INCORPORATED  
BWAB INCORPORATED  
CAROL J. ROEHS  
CITY OF GREELEY, CO  
DEUTSCHE BANK NATIONAL TRUST  
COMPANY  
DIANE LEINWEBER  
EDWARD M. HARRINGTON, JR.  
EVERSTON WELL SERVICE, INC.  
EXTRACTION OIL AND GAS, LLC  
GARY R. BAILEY AND GLENDA R.  
BAILEY  
GTA PROPERTIES LLC  
INCLINE NIOBRARA PARTNERS, LP  
IRA SERVICES TRUST COMPANY  
JAMES BROWNLIE  
JPPF FAMILY, LLC  
JUDITH MACY AND TONY MACY  
KATHLEEN H. JOHNSON  
KENNETH A. BREITENBACH  
KERR MCGEE OIL & GAS ONSHORE  
LP

LEEVERS DEVELOPMENT LLC  
LOLA I. RICHARDSON  
LORENZ FARMS, INC.  
LUBERTA ANN CHRISTIANSON AND  
ROBERT CHRISTIANSON  
MCDONALD'S CORP.  
MCDONALDS RESTAURANTS OF CO  
INC  
MOUNTAIN TOP MINERALS, LLC  
MURPHY & HOFFMAN JOINT  
VENTURES LP  
NOBLE ENERGY, INC.  
OMX CORPORATION  
PARKVIEW SOUTH PROPERTIES LLC  
PDC ENERGY, INC  
PHYLLIS DALE SCHIHAL  
PRINCIPLE ENERGY, LLC, C/O  
RICHARD J. HAMILTON, III  
PULSAR OIL & GAS INC  
RICHMARK ENERGY PARTNERS, LLC  
RODNEY B. HARRINGTON  
RPM PROPERTIES RLLLP  
SANDRA S. HESS  
SOCO WATTENBERG  
CORPORATION  
SRC ENERGY INC.  
STATE DEPARTMENT OF  
HIGHWAYS, DIVISION OF HIGHWAYS  
STATE OF COLORADO  
STATE DEPT OF HIGHWAYS  
TOSTEL CORPORATION  
TRACY G. SEWALD TRUST  
TRAILBLAZER OIL & GAS, INC  
UNIOIL  
V F W NO. 2121  
WILMA HALBERT AND ROBERT  
HALBERT  
WOLFHAWK ENERGY HOLDINGS  
LLC



**(alphabetical by last name)**

ADAMS DEBRA JEAN  
AGUERO EDWARD A  
ALIG CHRISTOPHER J  
ALMANZA HECTOR  
ARELLANO GERARDO  
ARELLANO JULIA  
ARGUELLO YVONNE  
ARREDONDO JULIANA  
ARREDONDO VICTOR MANUEL  
ASHLAND DEBRA  
BARRAZA NOLBERTO PINEDA  
BATREZ GERMAN  
BLAKELEY JOHNNY M  
BLAKELEY SHARON C  
BOLTZ BRADLEY A  
BOLTZ LAURIE ANN  
BROWN MICHAEL W  
BUSS KARA  
BUSTILLOS ALMA PATRICIA  
BUSTILLOS RAMON  
BUXMAN BETTY J  
BUXMAN LARRY D  
CORRALES JOAN ANTONIO  
DEEP BLUE L P  
DIEDRICHS KEITH  
DOWNING MARY V  
ESTRADA MEDALIA  
FERGUSON LOWELL  
GALLEGOS LISA  
GALLEGOS VINCENTE  
GARCIA ELIAS I  
GARCIA ENRIQUE PARRA  
GARCIA MARIA LUZ  
GARCIA MARTIN  
GASTON KARRIE J  
GONZALES DANIEL THOMAS  
GONZALEZ CRISELDO  
GONZALEZ JUDITH  
GONZALEZ LUIS  
HALLMARK THOMAS A  
HERNANDEZ ERNESTO  
HERNANDEZ FREIA H  
HUERTA ADAM LEE

KOSKI ELEANOR W  
LE MICHAEL CHONG  
LEE ROBERT E  
LOMA JOSE A  
LOZANO BERHA IRMA BONIFACIO  
LUNA AURELIN LOPEZ DE  
LUNA CAROLS CONCHAS  
LUNA PEDRO  
LUNA REGINALDO CONCHAS  
MACIEL CESAR  
MARTIN ERNEST L REVOCABLE  
TRUST  
MARTINEZ LEOPOLDO  
MARTINEZ LUCIA T  
MATSON LESLIE D  
MC WHIRT GWEN  
MEDINA LUPE  
MEDINA MARIA E  
MEREDITH JAMES M  
MEREDITH MIRIAM A  
MERRIMAN LORAIN G  
MERRIMAN RANDY K  
MEYERS LETA M  
MEYERS LLOYD A (HEIRS OF )  
MOHRLANG DOUGLAS A  
MOLINAR BRENDA LEE  
MOLINAR JOHN JOSEPH  
MONTES ALVARO  
MOORE NICOLE M  
MORA RAUL VALLEJO  
NELSON SANDRA  
OLIVER ANNETTE  
ORLANDO ESPARZA- GONZALEZ  
ORTIZ NARCIZO  
PARRA MARIA D  
PAYAN ANN MARIA  
PIZARRO BERNARINO  
PLATTEL DONALD F  
RAMOS DO CASTRO OLGA  
REED NORENE S  
REED ROBERT W  
RIOJAS JAIME  
RIOJAS MARIA D

ROMERO RAMON G  
RUIBAL DIANA LYNN  
RUIZ CARLOS  
RUIZ KATHY  
SAENZ GABRIEL L  
SANCHEZ CHRISTINE A  
SANCHEZ HELEN  
SANCHEZ HELEN A  
SANDOVAL CLARENCE J  
SCHULTE CATHY L  
SCHULTE DENNIS L  
SEGELKE THERESA  
SEIFRIED BRIAN F  
SERRANO CRISTIAN BANUELOS  
SLAYMAKER JEFF D  
SMITH MICHAEL A  
SMITH NANCY H  
SOTELO JUAN U  
SOTELO MARIA T

SOTO RAMON  
STOUT ALLEN C  
TALAMANTES JUAN  
TALAMANTES MARCO ANTONIO  
REYES  
TERLASK JILL MARIE  
TRIGOS MARIA CARMEN  
TRIGOS MARTIN DAVID  
UPTON ELIZABETH ANN  
VALLEJO CRYSTAL M  
VANBEBER DAWN R  
VANBEBER MARK A  
VASQUEZ LORENZO  
VEGA JESUS  
VILLALOBOS ALEJANDRO  
VILLALOBOS MAYRA Z  
WALKER MINDY  
WAREHIME CODY L  
ZENDEJAS MIGUEL

# EXHIBIT B

