BEFORE THE OIL AND GAS CONSERVATION COMMISSION OCT 15 2018 OF THE STATE OF COLORADO

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IN THE MATTER OF AN APPLICATION BY)	Cause No. 535
BISON OIL & GAS II, LLC FOR AN ORDER TO)	
ESTABLISH AN APPROXIMATE 640-ACRE)	Docket No. 181200913
DRILLING AND SPACING UNIT AND APPROVE)	
UP TO TWENTY HORIZONTAL WELLS WITHIN)	Type: SPACING
THE UNIT WITH WELL LOCATION RULES FOR)	· ·
THE DRILLING OF WELLS AND PRODUCING)	
OF OIL, GAS, AND ASSOCIATED)	
HYDROCARBONS FROM THE NIOBRARA,)	
FORT HAYS, CODELL, AND CARLILE)	
FORMATIONS FOR SECTION 7, TOWNSHIP 7	í	
NORTH, RANGE 59 WEST, 6TH P.M.,	í	
UNNAMED FIELD, WELD COUNTY,	í	
COLORADO	í	
	/	

<u>APPLICATION</u>

Bison Oil & Gas II, LLC ("Applicant" or "Bison"), Operator No. 10661, by and through its attorneys, Welborn Sullivan Meck & Tooley, P.C., respectfully submits this Application to the Oil and Gas Conservation Commission of the State of Colorado ("Commission") for an order establishing an approximate 640-acre drilling and spacing unit for Section 7, Township 7 North, Range 59 West, 6th P.M., and approving up to 20 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, Fort Hays, Codell, and Carlile Formations. In support of its Application, Applicant states as follows:

- 1. Applicant is a limited liability company duly authorized to conduct business in Colorado.
- 2. Applicant, owns leasehold interests and/or the right to drill, and is an Owner as defined by Commission rules, in the following lands ("Application Lands"):

Township 7 North, Range 59 West, 6th P.M. Section 7: All

Weld County, Colorado

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

3. Rule 318.a. of the Rules and Regulations of the Oil and Gas Conservation Commission 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.

4. To promote efficient drainage, and to prevent waste, Applicant requests that the Commission establish an approximate 640-acre drilling and spacing unit for the below-described Application Lands, and approve up to 20 horizontal wells within the unit, for the production of oil, gas and associated hydrocarbons from the Niobrara, Fort Hays, Codell, and Carlile Formations, with the treated interval of each wellbore within the unit being no closer than 600 feet from the unit boundary, and no closer than 165 feet from the productive interval of any other wellbore located within the unit, unless an exception is granted by the Director:

Township 7 North, Range 59 West, 6th P.M. Section 7: All

- 5. Applicant requests authority to drill only those wells necessary to determine the appropriate well density that allows for the most economic and efficient drainage of the Niobrara, Fort Hays, Codell, and Carlile Formations, that prevents waste, that protects correlative rights, and that assures the greatest ultimate recovery of oil, gas and associated hydrocarbons.
- 6. The drilling and spacing unit is not smaller than the maximum area that can be drained by the proposed wells and will have no adverse effect on correlative rights of adjacent owners.
- 7. Applicant requests that the wells be drilled from no more than two surface facilities located within the unit or at a legal location on adjacent lands, unless an exception is granted by the Director.
- 8. The names and addresses of the interested parties according to the information and belief of the Applicant are set forth in <u>Exhibit A</u> attached hereto and made a part hereof, and the undersigned certifies that copies of this Application shall be served on each interested party within seven (7) days after filing of the Application as required by Rules 503.e., 507.b.(1), and 507.c.

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.

[remainder of this page intentionally left blank]

Dated this 7th day of October, 2018.

Respectfully submitted, WELBORN SULLIVAN MECK & TOOLEY, P.C.

By:

Joseph C. Pierzchala
Geoffrey W. Storm
Welborn Sullivan Meck & Tooley, P.C.
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Attorneys for Bison Oil & Gas II, LLC

Applicant's Address:

Bison Oil & Gas II, LLC 518 17th Street, Suite 1800 Denver, CO 80202 Attn: Robert Pierini

VERIFICATION

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

Heath Lovell, Senior Landman, for Bison Oil & Gas II, LLC, 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.

BISON OIL & GAS II, LLC

Vice President Land Senior Landman

Subscribed and sworn to before me this 4 th day of October 2018 by Heath Lovell, Senior Landman, for Bison Oil & Gas II, LLC.

Witness my hand and official seal.

Kulk Notary Public

My Commission Expires: March 8, 2020

ABIGAIL WENK NOTARY PUBLIC STATE OF COLORADO NOTARY ID 20164009689 MY COMMISSION EXPIRES MARCH 8, 2020

EXHIBIT A

INTERESTED PARTIES

Weld County

Troy Swain
Weld County
Department of Planning Services
1555 North 17th Ave.
Greeley CO 80631

Colorado Department of Public Health and Environment

Attn: Kent Kuster, Oil and Gas Liaison 4300 Cherry Creek Dr. South Denver, CO 80246-1530

Colorado Division of Wildlife

Northeast Region Office 6060 Broadway Denver, CO 80216

EXHIBIT A

INTERESTED PARTIES

Unleased Mineral Interests
Weld Mineral Properties LLC
Patricia Ann Carter
Steven Winter
Proved Reserves, LLC

Working Interest Owners Markus Production, Inc. DBRB, LLC Bolling Oil Properties, Inc. Bison Oil and Gas Grindstone Resources, LLC John S. Gibson Production, LLC Red Spur Resources LLC Oil India (USA) Inc. IOCL (USA) Inc. Haimo Oil & Gas LLC Verdad Resources LLC Verdad Resources Nominee Co. Jade Reserves, Inc. Pepco, Inc. Brew Oil Company, LLLP Harmax, Inc. Caerus Wascho LLC

Exhibit B - Application Lands

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

IN THE MATTER OF AN APPLICATION BY)	Cause No. 535
BISON OIL & GAS II, LLC FOR AN ORDER)	
TO ESTABLISH AN APPROXIMATE 640-)	Docket No. 181200913
ACRE DRILLING AND SPACING UNIT AND)	
APPROVE UP TO TWENTY HORIZONTAL)	Type: SPACING
WELLS WITHIN THE UNIT WITH WELL)	•
LOCATION RULES FOR THE DRILLING OF)	
WELLS AND PRODUCING OF OIL, GAS,)	
AND ASSOCIATED HYDROCARBONS FROM)	
THE NIOBRARA, FORT HAYS, CODELL, AND)	
CARLILE FORMATIONS FOR SECTION 7,)	
TOWNSHIP 7 NORTH, RANGE 59 WEST,)	
6TH P.M., UNNAMED FIELD, WELD)	
COUNTY, COLORADO)	
	,	

AFFIDAVIT OF MAILING

STATE OF COLORADO §

CITY AND COUNTY OF DENVER §

I, Geoffrey W. Storm, of lawful age, and being first duly sworn upon my oath, state and declare:

That I am the attorney for Bison Oil & Gas II, LLC and that on or before October 15, 2018, I caused a copy of the attached Application to be deposited in the United States mail, postage prepaid, addressed to the parties listed on Exhibit A to the Application.

Geoffrey W. Storm

Subscribed and sworn to before me October 5, 2018.

Witness my hand and official seal.

MELISSA A. MORMAN NOTARY PUBLIC STATE OF COLORADO NOTARY ID 19894012434 MY COMMISSION EXPIRES AUGUST 29, 2021 Notary Public

My commission expires: