

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

IN THE MATTER OF THE APPLICATION OF  
MALLARD EXPLORATION, LLC FOR AN  
ORDER TO POOL ALL INTERESTS IN AN  
APPROXIMATE 640-ACRE DRILLING AND  
SPACING UNIT FOR SECTION 25, TOWNSHIP  
8 NORTH, RANGE 62 WEST, 6<sup>TH</sup> P.M., FOR  
THE DEVELOPMENT AND OPERATION OF  
THE NIOBRARA, FORT HAYS, CODELL AND  
CARLILE FORMATIONS, UNNAMED FIELD,  
WELD COUNTY, COLORADO

CAUSE NO. 535

DOCKET NO. 181200\_\_\_\_\_

TYPE: POOLING

**APPLICATION**

COMES NOW Mallard Exploration, LLC (Operator No. 10670) ("Applicant"), by and through its undersigned attorneys, and respectfully submits this Application to the Oil and Gas Conservation Commission of the State of Colorado (the "Commission") for an order to pool all interests within an approximate 640-acre drilling and spacing unit for Section 25, Township 8 North, Range 62 West, 6<sup>th</sup> P.M., for the development and operation of the Niobrara, Fort Hays, Codell and Carlile Formations underlying the below-described lands. In support of its Application, Applicant states and alleges as follows:

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

2. Applicant has the authority to operate the leasehold in the Application Lands on behalf of DPOC, LLC, the leasehold owner in the Application Lands. DPOC, LLC is a wholly owned subsidiary of Mallard Exploration, LLC. Applicant is an Owner and/or Operator as defined by the Colorado Oil and Gas Conservation Act, § 34-60-103(7) and the Commission 100 Series Rules, owns leasehold interests and/or has the right to drill and produce on the following lands (hereafter "Application Lands"):

Township 8 North, Range 62 West, 6<sup>th</sup> P.M.  
Section 25: All

640 acres, more or less, Weld County, Colorado.

A reference map of the Application Lands is attached hereto.

3. On February 22, 2011, the Commission entered Order No. 535-3 which, among other things, established an approximate 640-acre drilling and spacing unit for Section 21, Township 8 North, Range 61 West, 6<sup>th</sup> P.M., and allowed one horizontal well to be drilled from the unit for the production of oil, gas and associated hydrocarbons

from the Niobrara Formation. Order No. 535-3 also established 600' setbacks from the boundaries of the drilling and spacing unit without an exception being granted by the Director.

4. On August 1, 2018, the Commission entered Order No. 535-1049 which amended Order No. 535-3 to establish an approximate 640-acre drilling and spacing unit for the Application Lands and approve the drilling of 16 horizontal wells within the proposed unit, for production of oil, gas and associated hydrocarbons from the Niobrara, Fort Hays, Codell and Carlile Formations.

5. On August 30, 2018, Applicant filed an application in Docket No. 181000749 for an order to approve 300-foot reduced setbacks on the unit boundaries of an approximate 640-acre drilling and spacing unit established for Section 25, Township 8 North, Range 62 West, 6<sup>th</sup> P.M. for the efficient and economic production from the Niobrara, Fort Hays, Codell and Carlile Formations. Docket No. 181000749 is currently scheduled for hearing before the Commission on October 29-30, 2018.

6. Applicant, pursuant to Commission Rule 530 and/or the provisions of § 34-60-116 (6) and (7), C.R.S., hereby requests an order to pool all interests, including but not limited to, any non-consenting interests and any party failing to fulfill its election, in the Application Lands in the Niobrara, Fort Hays, Codell and Carlile Formations underlying the drilling and spacing unit

7. Applicant requests that the Commission's pooling order be made effective as of the earlier of the date of this Application, or the date that the costs specified in § 34-60-116(7)(b), C.R.S. are first incurred for the drilling of the first horizontal well within the drilling and spacing unit.

8. Applicant certifies that copies of this Application will be served on all persons owning a recorded and known interest in the mineral estate of the tracts to be pooled within seven days of the date hereof, as required by Rule 503.e., and that at least 35 days prior to the hearing on this matter, each such recorded and known interest owner not already leased or voluntarily pooled will be offered the opportunity to lease and/or participate and will be provided with the information required by Rule 530 as applicable.

9. In order to prevent waste and to protect correlative rights, all interests in the approximate 640-acre drilling and spacing unit should be pooled for the orderly development and operation of the Niobrara, Fort Hays, Codell and Carlile Formations, including any non-consenting interests therein.

WHEREFORE, Applicant requests that this matter be set for hearing on December 17, 2018, that notice be given as required by law, and that upon such hearing, the Commission enter its order:

A. Pooling all interests, including but not limited to any non-consenting interests and any party failing to fulfill its election, in the following 640-acre drilling and spacing unit

established for the development and operation of the Niobrara, Fort Hays, Codell and Carlile Formations:

Township 8 North, Range 62 West, 6<sup>th</sup> P.M.  
Section 25: All

640 acres, more or less, Weld County, Colorado.

B. Providing that the Commission's pooling order is made effective as of the earlier of the date of this Application, or the date that any of the costs specified in § 34-60-116(7)(b), C.R.S. are first incurred for the drilling of the wells within the unit, for the production of oil, gas and associated hydrocarbons from the Niobrara, Fort Hays, Codell and Carlile Formations on the Application Lands.

C. Providing that any party who fails to make a timely election to lease or to participate, or who fails to fulfill its election, is pooled by operation of statute, pursuant to § 34-60-116(6) and (7), C.R.S., and made subject to the cost recovery provisions thereof with respect to the wells drilled to develop the Niobrara, Fort Hays, Codell and Carlile Formations in the approximate 640-acre drilling and spacing unit comprising the Application Lands.

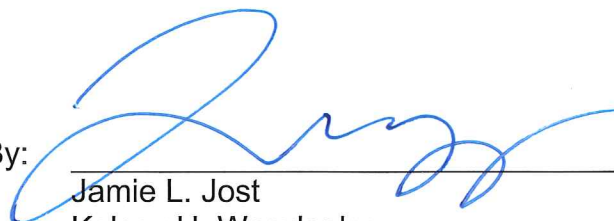
D. For such other findings and orders as the Commission may deem proper or advisable in this matter.

DATED October 15<sup>th</sup>, 2018.

Respectfully submitted:

**MALLARD EXPLORATION, LLC**

By:

A handwritten signature in blue ink, appearing to be "Jamie L. Jost", written over a horizontal line.

Jamie L. Jost  
Kelsey H. Wasylenky  
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Applicant's Address:

Mallard Exploration, LLC  
ATTN: Michael Sobecki  
1400 16<sup>th</sup> Street, Suite 300  
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## VERIFICATION

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

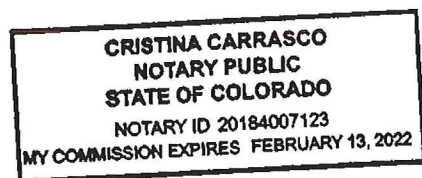
Jordan Mattson, of lawful age, being first duly sworn upon oath, deposes and says that he is a Vice President – Land for Mallard Exploration, LLC and that he has read the foregoing Application and that the matters therein contained are true to the best of his knowledge, information and belief.

  
\_\_\_\_\_  
Jordan Mattson  
Vice President - Land  
Mallard Exploration, LLC

Subscribed and sworn to before me this 12<sup>th</sup> day of October, 2018.

**Witness my hand and official seal.**

[SEAL]



My commission expires: 2/13/22

Arturo Caceres  
Notary Public

Reference Map

Section 25, Township 8 North, Range 62 West, 6<sup>th</sup> P.M.

