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

IN THE MATTER OF THE APPLICATION OF CONOCOPHILLIPS COMPANY FOR AN ORDER TO AUTHORIZE AN ADDITIONAL ELEVEN (11) HORIZONTAL WELLS, FOR A TOTAL OF UP TO SIXTEEN (16) HORIZONTAL WELLS IN AN APPROXIMATE 1,280-ACRE DRILLING AND SPACING ESTABLISHED FOR SECTIONS 11 AND 12. TOWNSHIP 4 SOUTH, RANGE 65 WEST. 6TH P.M., FOR PRODUCTION FROM THE NIOBRARA FORMATION, UNNAMED FIELD, ARAPAHOE COUNTY, COLORADO

CAUSE NO. 535

DOCKET NO. 181200

TYPE: ADDITIONAL WELLS

#### **APPLICATION**

ConocoPhillips Company (Operator No. 19160) and its wholly owned subsidiary Burlington Resources Oil & Gas LP (Operator No. 26580) (together, "Applicant" or "COPC"), 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 authorize an additional eleven (11) horizontal wells, for a total of up to sixteen (16) horizontal wells within an approximate 1,280-acre drilling and spacing unit established for the Application Lands described below. In support of its Application, Applicant states and alleges as follows:

- 1. Applicant is a Delaware corporation duly organized and authorized to conduct business in the State of Colorado.
- 2. COPC and/or its subsidiary company Burlington Resources Oil & Gas Company LP are Owners as defined by the Colorado Oil and Gas Conservation Act and the Commission's 100 Series Rules and own certain leasehold interests or the right to operate leasehold interests in the following lands (hereafter "Application Lands"):

Township 4 South, Range 65 West, 6th P.M.

Section 11: All Section 12: All

1,280 acres, more or less, Arapahoe County, Colorado.

A reference map of the Application Lands is attached hereto.

3. On November 29, 2011, the Commission entered Order No. 535-97 which, among other things, established 25 approximate 640-acre drilling and spacing units and approved up to two horizontal wells within each unit, for the production of oil, gas and

associated hydrocarbons from the Niobrara Formation. Sections 11 and 12, Township 4 South, Range 65 West, 6<sup>th</sup>P.M., are subject to this Order for the Niobrara Formation.

- 4. On January 27, 2014, the Commission entered Order No. 535-459 which, among other things, vacated an approximate 640-acre drilling and spacing unit established by Order No. 535-97 for Section 12, Township 4 South, Range 65 West, 6<sup>th</sup> P.M., and established an approximate 1,280-acre exploratory drilling and spacing unit for Sections 11 and 12, Township 4 South, Range 65 West, 6<sup>th</sup> P.M., and approved up to two horizontal wells within the unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.
- 5. On April 28, 2014, the Commission entered Order No. 535-484 which, among other things, pooled all interests within an approximate 1,280-acre drilling and spacing unit established for Sections 11 and 12, Township 4 South, Range 65 West, 6th P.M., for the drilling and operation of the Prosper Farms 4-65 11-12 1H Well (API No. 05-005-07223), for the development and operation of the Niobrara Formation.
- 6. On December 11, 2017, the Commission entered Order No. 535-905 which approved an additional four horizontal wells, for a total of up to five horizontal wells, in the approximate 1,280-acre drilling and spacing unit established for Sections 11 and 12, Township 4 South, Range 65 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Niobrara Formation, with the productive interval of any horizontal well to be located be no closer than 460 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.
- 7. On January 29, 2018, the Commission entered Order No. 535-920 which pooled all interests within an approximate 1,280-acre drilling and spacing unit established for Sections 11 and 12, Township 4 South, Range 65 West, 6<sup>th</sup> P.M., and to subject any nonconsenting interests to the cost recovery provisions of §34-60-116(7), C.R.S., for the drilling of the Prosper Farms 4-65 11-12 3AH Well, the Prosper Farms 4-65 11-12 3DH Well, the Prosper Farms 4-65 11-12 3DH Well, for the development and operation of the Niobrara Formation.
- 8. The records of the Commission reflect that there is one horizontal well currently producing to the Niobrara Formation in the Application Lands, the Prosper Farms 4-65 11-12 1H (API No. 05-005-07223). There are four approved APDs within the Application Lands, the Prosper Farms 4-65 11-12 3AH Well (API No. 05-005-07383), the Prosper Farms 4-65 11-12 3BH Well (API No. 05-005-07384), the Prosper Farms 4-65 11-12 3DH Well (API No. 05-005-07381).
- 9. To promote efficient drainage within the Niobrara Formation of the Application Lands, to protect correlative rights and to avoid waste, the Commission should authorize an additional eleven (11) horizontal wells, for a total of up to sixteen (16)

horizontal wells, in the approximate 1,280-acre drilling and spacing unit established for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

- 10. The above proposed additional wells 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.
- 11. The Applicant maintains that there will be no more than two new well pads in the unit, or adjacent thereto, unless an exception is granted by the Director.
- 12. Applicant states that the productive interval of all proposed horizontal wells in the Application Lands shall be no closer than 460 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.
- 13. 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 December 17-18, 2018, that notice be given as required by law, and that upon such hearing this Commission enter its order to:

- A. Authorize an additional eleven (11) horizontal wells, for a total of up to sixteen (16) horizontal wells, in an approximate 1,280-acre drilling and spacing unit established for Sections 11 and 12, Township 4 South, Range 65 West, 6<sup>th</sup> P.M., for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.
- B. Provide that the productive interval of any horizontal well shall be no closer than 460 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. Find that the authorization of up to sixteen (16) horizontal wells within an approximate 1,280-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 15th day of October, 2018.

Respectfully submitted:

**ConocoPhillips Company** 

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: ConocoPhillips Company Attn: Jeff Hartman 600 N. Dairy Ashford Road Houston, TX 77079-1069

#### **VERIFICATION**

STATE OF TEXAS	)
COUNTY OF HARRIS	) ss. )
he is a Senior Landman for ConocoPhillip Application and that the matters therein of information and belief.  Jeff Ha Senior	rirst duly sworn upon oath, deposes and says that its Company, and that he has read the foregoing contained are true to the best of his knowledge, rtman Landman ophillips Company
Subscribed and sworn to before me this day of October, 2018.	
Witness my hand and official seal.	

REGINA M. PAURA Notary Public, State of Texas Comm. Expires 08-06-2021 Notary ID 129515167

[SEAL]

Notary Public

My commission expires:

### Reference Map ConocoPhillips Company

## Sections 11 and 12, Township 4 South, Range 65 West, 6<sup>th</sup> P.M.

