

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

IN THE MATTER OF THE APPLICATION OF
HIGHPOINT OPERATING CORPORATION
FOR AN ORDER TO AMEND ORDER NO. 421-
138 TO INCREASE THE NUMBER OF
WELLPADS AUTHORIZED WITHIN THE 1280-
ACRE DRILLING AND SPACING UNIT
ESTABLISHED FOR SECTION 4, TOWNSHIP
10 NORTH, RANGE 62 WEST, 6TH P.M. AND
SECTION 33, TOWNSHIP 11 NORTH, RANGE
62 WEST, 6TH P.M., FOR THE PRODUCTION
OF OIL, GAS AND ASSOCIATED
HYDROCARBONS FROM THE NIOBRARA,
FORT HAYS, CODELL, AND CARLILE
FORMATIONS, HEREFORD FIELD, WELD
COUNTY, COLORADO

CAUSE NO. 421

DOCKET NO. 181200____

TYPE: SPACING

APPLICATION

HighPoint Operating Corporation (Operator No. 10071) ("HighPoint" or "Applicant"), 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 amend Order No. 421-138 to increase the number of wellpads authorized within the 1280-acre drilling and spacing unit established for Section 4, Township 10 North, Range 62 West, 6th P.M. and Section 33, Township 11 North, Range 62 West, 6th P.M. from two (2) wellpads to four (4) wellpads, for the production of oil, gas and associated hydrocarbons from 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 corporation duly organized and authorized to conduct business in the State of Colorado, and is a registered operator in good standing with the Commission.
2. Applicant is an Owner as defined by the Colorado Oil and Gas Conservation Act and Commission Rules and owns leasehold interests or holds the right to operate on the following lands (hereafter "Application Lands"):

Township 10 North, Range 62 West, 6th P.M.
Section 4: All

Township 11 North, Range 62 West, 6th P.M.
Section 33: All

Weld County, Colorado, 1,280-acres, more or less.

A reference map of the Application Lands is attached hereto.

3. On October 21, 2010, the Commission entered Order No. 421-3 which, among other things, established 83 approximate 640-acre drilling and spacing units, and approved one horizontal well within each unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation. Section 4, Township 10 North, Range 62 West, 6th P.M. and Section 33, Township 11 North, Range 62 West, 6th P.M. are subject to this Order for the Niobrara Formation.

4. On January 7, 2013, the Commission entered Order No. 421-33 which, among other things, vacated two approximate 640-acre drilling and spacing units established by Order No. 421-1 for Sections 4 and 9, Township 10 North, Range 62 West, 6th P.M., and establish an approximate 1280-acre stand-up exploratory drilling and spacing unit for Sections 4 and 9, Township 10 North, Range 62 West, 6th P.M., and approve up to ten wells within the unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

5. On September 17, 2018, the Commission entered Order No. 421-138 which, among other things, 1) established an approximate 1,280-acre drilling and spacing unit for Section 4, Township 10 North, Range 62 West, 6th P.M. and Section 33, Township 11 North, Range 62 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Niobrara, Fort Hays, Codell, and Carlile Formations; and approved up to sixteen (16) new horizontal wells in the approximate 1,280-acre unit, for the production of oil, gas and associated hydrocarbons from the Niobrara, Fort Hays, Codell, and Carlile Formations; 2) provided that the productive interval of any horizontal well in the unit shall be no closer than 150 feet from the boundaries of the unit for the Niobrara and Fort Hays Formations and no closer than 300 feet from the unit boundaries for the Codell and Carlile Formations and 150' inter-well setbacks from any wellbore within the unit, for the production of oil, gas and associated hydrocarbons from the Niobrara, Fort Hays, Codell, and Carlile Formations underlying the Application Lands; and 3) approved up to two wellpads within the unit. The Application requested up to four wellpads within the unit.

6. The Commission records show that there are no horizontal wells and no APDs within the Application Lands.

7. To promote efficient drainage within the Niobrara, Fort Hays, Codell, and Carlile Formations of the Application Lands, to protect correlative rights and to avoid waste, the Commission should amend Order No. 421-138 to increase the number of wellpads from two (2) wellpads to four (4) wellpads within the unit, for the production of oil, gas and associated hydrocarbons from the Niobrara, Fort Hays, Codell, and Carlile Formations underlying the Application Lands, which was the amount requested in the Application approved by Order No. 421-138.

8. The above request will allow the Applicant to efficiently drain the Niobrara, Fort Hays, Codell, and Carlile Formations, prevent waste, assure the greatest ultimate recovery of gas and associated hydrocarbon substances from the reservoirs and will not adversely affect correlative rights.

9. 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. Amend Order No. 421-138 to increase the number of wellpads within the the 1280-acre drilling and spacing unit established for Section 4, Township 10 North, Range 62 West, 6th P.M. and Section 33, Township 11 North, Range 62 West, 6th P.M. from two new well pads to four new wellpads, unless an exception is granted by the Director;

B. Find that increasing the number of wellpads to four will maximize the efficient and economic production of the Niobrara, Fort Hays, Codell, and Carlile Formation on the Application Lands.

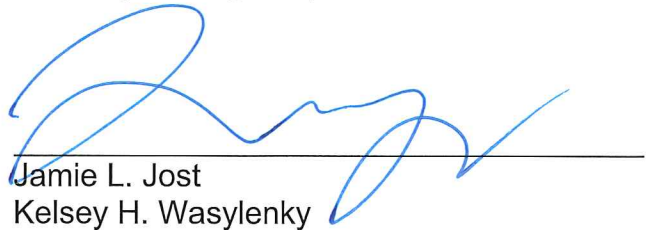
C. For such other findings and orders as the Commission may deem proper or advisable in this matter.

DATED October 17th, 2018.

Respectfully submitted:

HighPoint Operating Corporation

By:

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

Jamie L. Jost
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STATE OF COLORADO)
) ss.
CITY AND COUNTY OF DENVER)


Bryce Doty
Landman
HighPoint Operating Corporation

Subscribed and sworn to before me this 17th day of October, 2018.

[SEAL]

My commission expires: 10/6/2019


Notary Public



Reference Map

Section 4, Township 10 North, Range 62 West, 6th P.M., and
Section 33, Township 11 North, Range 62 West, 6th P.M.

