

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

IN THE MATTER OF AN APPLICATION BY EPHPHATHA, LLC FOR AN ORDER POOLING ALL INTERESTS IN AN APPROXIMATE 280-ACRE DRILLING AND SPACING UNIT PROPOSED FOR THE DEVELOPMENT/OPERATION OF THE NIOBRARA FORMATION UNDERLYING CERTAIN PORTIONS OF SECTIONS 29, 30, 31 AND 32, TOWNSHIP 6 NORTH, RANGE 88 WEST, 6TH P.M., UNNAMED FIELD, ROUTT COUNTY, COLORADO

CAUSE NO.

DOCKET NO.

TYPE: POOLING

APPLICATION

Ephphatha, LLC, Operator No. 10282 ("Ephphatha" or "Applicant"), by and through its attorneys, Beatty & Wozniak, P.C., respectfully submits this Application to the Oil and Gas Conservation Commission of the State of Colorado ("Commission") for an order amending the pooling order entered at Docket No. 180600468 ("Pooling Order"), to pool additional lands within a corresponding, amended drilling and spacing unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation underlying certain portions of Sections 29, 30, 31 and 32, Township 6 North, Range 88 West, 6th p.m., Routt County, Colorado. 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 has registered as an operator with the Commission.
2. Applicant is an Owner in the below-listed lands:

Township 6 North, Range 88 West, 6th P.M.
Section 29: E $\frac{1}{2}$ SW $\frac{1}{4}$

(These lands are hereinafter referred to as the "Additional Lands")

Township 6 North, Range 88 West, 6th P.M.
Section 29: W $\frac{1}{2}$ SW $\frac{1}{4}$
Section 30: SE $\frac{1}{4}$ SE $\frac{1}{4}$
Section 31: NE $\frac{1}{4}$ NE $\frac{1}{4}$
Section 32: NW $\frac{1}{4}$ NW $\frac{1}{4}$

(These lands are hereinafter referred to as the "Original Lands")

Collectively, these lands total 280 acres, more or less, Routt County, Colorado, and are hereinafter referred to as the "Application Lands." A map depicting the Application Lands is attached hereto as Exhibit A.

3. Rule 318.a. of the Commission Rules provides a well to be drilled 2,500 feet or greater shall be located not less than 600 feet from any lease line, and shall be located not less than 1,200 feet from any other producible oil or gas well when drilling to the same common source of supply, unless authorized by the Commission upon hearing. The Application Lands are subject to Rule 318.a. for the Niobrara Formation. There are no specific orders of the Commission applicable to the Application Lands.

4. On September 17, 2018, the Commission entered Order No. 540-70 which, among other things, established an approximate 200-acre drilling and spacing unit for the Original Lands, and approved one vertical, directional, or horizontal well within the unit, for the production of oil, gas, and associated hydrocarbons from the Niobrara Formation. Order No. 540-70 established boundary setbacks such that the productive interval of the wellbore to be located no closer than 600 feet from boundaries of the proposed unit except that it may be located no closer than 300 feet from the southern boundary of the NE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 31 of the Application Lands and no closer than 300 feet from the eastern boundary of the NW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 29 of the Application Lands, without exception being granted by the Director.

5. The Application Lands contain one active well, the Dry Creek UT HD 31 #1A (Pilot Hole) Well (API No. 05-107-06175) ("Subject Well"), which originally produced from the Niobrara Formation, and which is now temporarily abandoned. The Subject Well is operated by Applicant, which has plans to return the well to producing status.

6. Applicant filed a pooling application at Docket No. 180600468 requesting that all interests in the 200-acre drilling and spacing unit under Order No. 540-70 be pooled, for the development and operation of the Subject Well, effective as of the date that the costs specified in §34-60-116(7)(b), C.R.S. were first incurred for the drilling of the Subject Well within the 200-acre drilling and spacing unit. This pooling application is set to be heard before the Commission at the October 29, 2018 hearing.

7. Concurrently herewith, Applicant has filed an application requesting that the Commission amend Order No. 540-70 to include the Additional Lands.

8. Applicant hereby requests the Pooling Order be amended to account for the amendment to Order No. 540-70, and thereby pool the interests in the Additional Lands as well as the Original Lands, resulting in an approximate 280-acre drilling and spacing unit for development and operation of the Niobrara Formation, effective as of the earlier of the date of Pooling Order, or the date the costs specific in §34-60-116(7)(b), C.R.S., are first incurred for the drilling of the Subject Well.

9. Acting pursuant to the relevant provisions of §34-60-116(6) & (7), C.R.S., and Rule 530., Applicant seeks an order pooling all interests, including, but not limited to, any nonconsenting interests, in the drilling and spacing unit established for the Application Lands, for the development and operation of the Subject Well.

10. Applicant requests that the Commission's pooling order be made effective as of the date that the costs specified in §34-60-116(7)(b), C.R.S. were first incurred for the drilling of the Subject Well within the proposed drilling and spacing unit.

11. Further, Applicant requests that the interests of any owners with whom the Applicant has been unable to secure a lease or other agreement to participate in the drilling of the Subject Well, are made subject to the cost recovery provisions of §34-60-116(7), C.R.S., effective as of the date the costs specified in §34-60-116(7)(b), C.R.S. were first incurred for the drilling of the Subject Well.

12. The granting of this Application is in accord with the Oil and Gas Conservation Act, found at §§34-60-101, et seq., C.R.S., and the Commission rules.

13. Applicant requests that relief granted under this Application should be effective on oral order by the Commission, and Applicant hereby agrees to be bound by said oral order.

14. The undersigned certifies that copies of this Application will be served on each interested party as required by Rule 507 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, that notice be given as required by law and that upon such hearing, the Commission enter its order:

A. Amending the Pooling Order at Docket No. 180600468 to account for the amendment to Order No. 540-70, and thereby pool the interests in the Additional Lands as well as the Original Lands, resulting in an approximate 280-acre drilling and spacing unit for development and operation of the Niobrara Formation, effective as of the earlier of the date of Pooling Order at Docket No. 180600468, or the date the costs specific in §34-60-116(7)(b), C.R.S., are first incurred for the drilling of the Subject Well.

B. Providing that the interests of any owners with whom the Applicant has been unable to secure a lease or other agreement to participate in the drilling of the Subject Well, are made subject to the cost recovery provisions of §34-60-116(7), C.R.S., effective as of the date the costs specified in §34-60-116(7)(b), C.R.S. were first incurred for the drilling of the Subject Well.

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

DATED this 18th day of October, 2018

Respectfully submitted,

Ephphatha, LLC

By: 

James Parrot
Jillian Fulcher
Evan Bekkedahl
Beatty & Wozniak, P.C.
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Address of Applicant

Ephphatha, LLC
Attn: Cory Sullins
2925 Siskiyou Blvd.
Medford, OR 97504

VERIFICATION

STATE OF OREGON)
) ss.
JACKSON COUNTY)

Cory Sullins, Manager of Ephphatha, LLC, upon oath deposes and says that he has read the foregoing Application and that the statements contained therein are true to the best of his knowledge, information and belief.

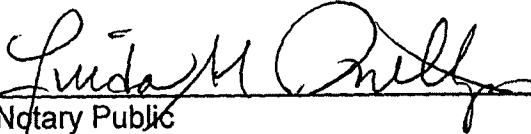
EPHPHATHA, LLC



Cory Sullins, Manager

Subscribed and sworn to before me this 17th day of October, 2018,
by Cory Sullins, Manager of Ephphatha, LLC.

Witness my hand and official seal.



Notary Public

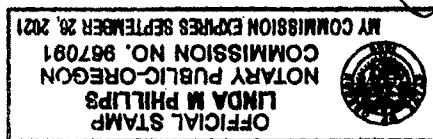


EXHIBIT A

Reference Map for Pooling Application

Township 6 North, Range 88 West, 6th P.M.

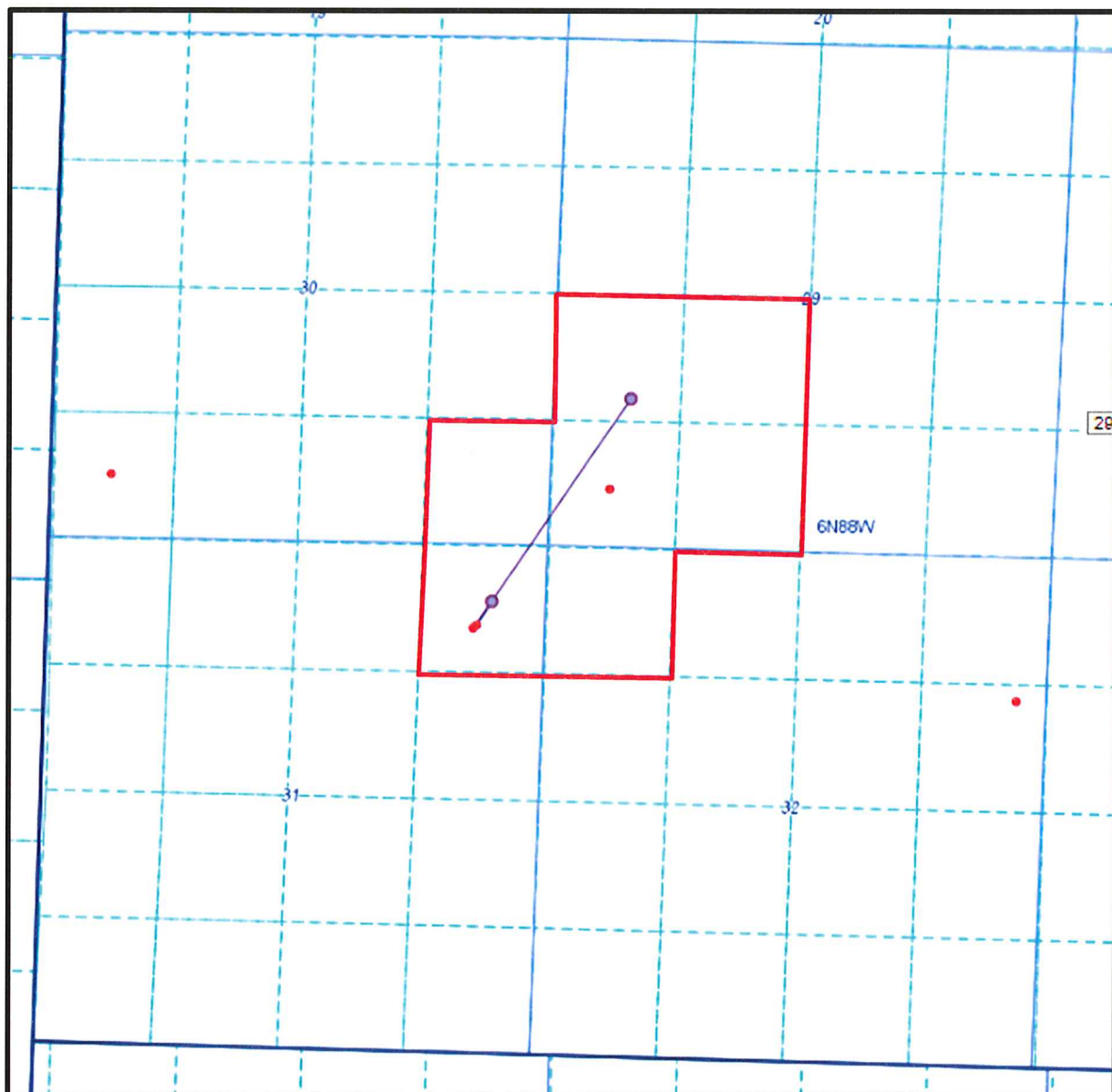
Section 29: $W\frac{1}{2}SW\frac{1}{4}$, $E\frac{1}{2}SW\frac{1}{4}$

Section 30: $SE\frac{1}{4}SE\frac{1}{4}$

Section 31: $NE\frac{1}{4}NE\frac{1}{4}$

Section 32: $NW\frac{1}{4}NW\frac{1}{4}$

200 acres, more or less, Routt County, Colorado




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TYPE: POOLING

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

That she is a Legal Assistant at Beatty & Wozniak, P.C., and on or before the 25th day of October, 2018, 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 attached hereto.


Jo Cooks

Subscribed and sworn to before me this 18th day of October, 2018.

Witness my hand and official seal.

Notary Public



EXHIBIT A

INTERESTED PARTIES

Lazy MM Family Limited Partnership
5495 E. Onyx Drive
Prescott, AZ 86303

Dorothy Lou DuBois and Todd L. DuBois, Trustees under the Dorothy L. DuBois Family
Revocable Trust, dated January 18, 1996
P.O. Box 130
Hayden CO 81639-0130

John Kenneth DuBois
John K. DuBois
9150 Bill Burns Road
Emmett, ID 83617

Mary Ann Wadge for the Estate of James Clarence Wadge
7551 S. Butler Hills Drive
Salt Lake City, UT 84121

Alan John Wadge
1837 South Connor Street
Salt Lake City, UT 84018

James B. Wadge
7551 S. Butler Hills Drive
Salt Lake City, UT 84121

EOG Resources, Inc.
600 17th Street, #1000N
Denver, Colorado 80202

State of Colorado Board of Land Commissioners
1127 Sherman Street, Suite 300
Denver, Colorado 80203

Cross Mountain Ranch Corporation
P.O. Box 897
Craig, CO 81626

Cross Mountain Ranch Limited Partnership
P.O. Box 897
Craig, CO 81626

Ephphatha, LLC
1314 B Center Drive, #449
Medford, OR 97501

Quicksilver Resources Inc.
801 Cherry Street, Suite 3700, Unit 19
Fort Worth, Texas 76102