

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

IN THE MATTER OF THE PROMULGATION) CAUSE NO.
AND ESTABLISHMENT OF FIELD RULES)
TO GOVERN OPERATIONS FOR THE) DOCKET NO.
NIOBRARA FORMATION, WATTENBERG)
FIELD, WELD COUNTY, COLORADO) TYPE: POOLING

APPLICATION

PDC Energy, Inc. (Operator No. 69175) ("PDC"), by and through its attorneys, Burns, Figa, & Will, P.C., respectfully submits this Application to the Oil and Gas Conservation Commission of the State of Colorado (the "Commission") for an order pooling all interests within an approximate 320-acre Wellbore Spacing Unit, as further defined below, for the drilling of the Blanca 4N Well (API No. 05-123-46303) ("Well"), for the development of the Niobrara Formation on the following described lands:

Township 5 North, Range 64 West, 6th P.M.

Section 29: S $\frac{1}{2}$ NW $\frac{1}{4}$, SW $\frac{1}{4}$ NE $\frac{1}{4}$

Section 30: S $\frac{1}{2}$ N $\frac{1}{2}$

Township 5 North, Range 65 West, 6th P.M.

Section 25: SE $\frac{1}{4}$ NE $\frac{1}{4}$

Weld County, Colorado, containing approximately 320.00 acres
("Application Lands")

In support of its Application, PDC states and alleges as follows:

1. PDC is a corporation duly authorized to do business in Colorado and is registered as an operator in good standing with the Commission.
2. PDC is an Owner with the right to drill into and produce from the Application Lands.
3. On April 27, 1998, the Commission adopted Rule 318A, the Greater Wattenberg Area Special Well Location, Spacing and Unit Designation Rule. Sections 29 and 30, Township 5 North, Range 64 West, 6th P.M., and Section 25, Township 5 North, Range 65 West, 6th P.M., are subject to this Rule for the Niobrara Formation.
4. On February 19, 1992, the Commission entered Order No. 407-87 (amended August 20, 1993) which, among other things, established 80-acre drilling and spacing units for the production of oil, gas, and associated hydrocarbons from the Codell-Niobrara Formations, the Codell Formation, and the Niobrara Formation underlying certain lands, including Sections 29 and 30, Township 5 North, Range 64 West, 6th P.M.,

and Section 25, Township 5 North, Range 65 West, 6th P.M., with the permitted well locations in accordance with the provisions of Order 407-1.

5. On June 11, 2009, the Commission entered Order No. 407-332, which, among other things, pooled all non-consenting interests in an approximate 160-acre wellbore spacing unit for the SW $\frac{1}{4}$ NE $\frac{1}{4}$, NW $\frac{1}{4}$ SE $\frac{1}{4}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$, NE $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 30, Township 5 North, Range 64 West, 6th P.M., for the Conagra B #30-21 Well (API No. 05-123-28037), and an approximate 160-acre wellbore spacing unit for the S $\frac{1}{2}$ NE $\frac{1}{4}$, N $\frac{1}{2}$ SE $\frac{1}{4}$ of Section 30, Township 5 North, Range 64 West, 6th P.M., for the Conagra B #30-22 Well (API No. 05-123-28032), from the Codell and Niobrara Formations. Order No. 407-332 is not affected by this Application, and proceeds from any shared lands will be accounted for in the production of the Well.

6. On July 14, 2009, the Commission entered Order No. 407-334, which, among other things, pooled all non-consenting interests in an approximate 160-acre wellbore spacing unit for the W $\frac{1}{2}$ NW $\frac{1}{4}$ of Section 30, Township 5 North, Range 64 West, 6th P.M., and the E $\frac{1}{2}$ NE $\frac{1}{4}$ of Section 25, Township 5 North, Range 65 West, 6th P.M., for the Conagra B #30-31D Well (API No. 05-123-26997), from the Codell and Niobrara Formations. Order No. 407-334 is not affected by this Application, and proceeds from any shared lands will be accounted for in the production of the Well.

7. On August 18, 2009, the Commission entered Order No. 407-335, which, among other things, pooled all non-consenting interests in an approximate 160-acre wellbore spacing unit for the SW $\frac{1}{4}$ NW $\frac{1}{4}$, NW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 30, Township 5 North, Range 64 West, 6th P.M., and the SE $\frac{1}{4}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 25, Township 5 North, Range 65 West, 6th P.M., for the Conagra B #30-32D Well (API No. 05-321-26996), from the Codell and Niobrara Formations. Order No. 407-335 is not affected by this Application, and proceeds from any shared lands will be accounted for in the production of the Well.

8. On March 17, 2014, the Commission entered Order No. 407-986, which, among other things, pooled all non-consenting interests in an approximate 320-acre wellbore spacing unit for the N $\frac{1}{2}$ of Section 25, Township 5 North, Range 65 West, 6th P.M., for the LaSalle 25F-332 Well (API No. 05-123-37340), from the Niobrara Formation. Order No. 407-986 is not affected by this Application, and proceeds from any shared lands will be accounted for in the production of the Well.

9. On December 11, 2017, the Commission entered Order No. 407-2259, which, among other things, pooled all non-consenting interests in an approximate 640-acre wellbore spacing unit for the S $\frac{1}{2}$ N $\frac{1}{2}$, N $\frac{1}{2}$ S $\frac{1}{2}$ of Section 25, and the NE $\frac{1}{4}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$, N $\frac{1}{2}$ SE $\frac{1}{4}$, S $\frac{1}{2}$ NE $\frac{1}{4}$ of Section 26, Township 5 North, Range 65 West, 6th P.M., and the SW $\frac{1}{4}$ NW $\frac{1}{4}$, NW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 30, Township 5 North, Range 64 West, 6th P.M., for the Bunting 26O-102 Well (API No. 05-123-44083), from the Niobrara Formation. Order No. 407-2259 is not affected by this Application, and proceeds from any shared lands will be accounted for in the production of the Well.

10. Also on December 11, 2017, the Commission entered Order No. 407-2260, which, among other things, pooled all non-consenting interests in an approximate 640-acre wellbore spacing unit for the S $\frac{1}{2}$ N $\frac{1}{2}$, N $\frac{1}{2}$ S $\frac{1}{2}$ of Section 25, and the NE $\frac{1}{4}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$, N $\frac{1}{2}$ SE $\frac{1}{4}$, S $\frac{1}{2}$ NE $\frac{1}{4}$ of Section 26, Township 5 North, Range 65 West, 6th P.M., and the SW $\frac{1}{4}$ NW $\frac{1}{4}$, NW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 30, Township 5 North, Range 64 West, 6th P.M., for the Bunting 26O-212 Well (API No. 05-123-45701), from the Niobrara Formation. Order No. 407-2260 is not affected by this Application, and proceeds from any shared lands will be accounted for in the production of the Well.

11. Also on December 11, 2017, the Commission entered Order No. 407-2261, which, among other things, pooled all non-consenting interests in an approximate 640-acre wellbore spacing unit for the S $\frac{1}{2}$ N $\frac{1}{2}$, N $\frac{1}{2}$ S $\frac{1}{2}$ of Section 25, and the NE $\frac{1}{4}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$, N $\frac{1}{2}$ SE $\frac{1}{4}$, S $\frac{1}{2}$ NE $\frac{1}{4}$ of Section 26, Township 5 North, Range 65 West, 6th P.M., and the SW $\frac{1}{4}$ NW $\frac{1}{4}$, NW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 30, Township 5 North, Range 64 West, 6th P.M., for the Bunting 26O-332 Well (API No. 05-123-44091), from the Niobrara Formation. Order No. 407-2261 is not affected by this Application, and proceeds from any shared lands will be accounted for in the production of the Well.

12. As of the date of this Application, the COGCC has not published any additional orders affecting spacing of the Application Lands.

13. PDC designated an approximate 320-acre Wellbore Spacing Unit for the production of oil, gas, and associated hydrocarbons from the Niobrara Formation as provided by Rule 318A and notified the appropriate parties under Rule 318A.

14. Under the provisions of Rule 530 and C.R.S. § 34-60-116(6)–(7), PDC requests an order pooling all interests, including the ability to drill through all tracts, in the Application Lands for the development of the Niobrara Formation underlying an approximate 320-acre Wellbore Spacing Unit for the Blanca 4N Well (API No. 05-123-46303):

Township 5 North, Range 64 West, 6th P.M.
Section 29: S $\frac{1}{2}$ NW $\frac{1}{4}$, SW $\frac{1}{4}$ NE $\frac{1}{4}$
Section 30: S $\frac{1}{2}$ N $\frac{1}{2}$

Township 5 North, Range 65 West, 6th P.M.
Section 25: SE $\frac{1}{4}$ NE $\frac{1}{4}$

Weld County, Colorado (“Wellbore Spacing Unit” in this Application)

15. PDC requests that the Commission’s pooling order be made effective as of the earlier date of this Application, or the date that the costs specified in C.R.S. § 34-60-116(7)(b)(II) are first incurred for the drilling of the Blanca 4N Well to the Niobrara Formation on the Application Lands.

16. PDC certifies that copies of this Application will be served on all owners of the mineral estate, as indicated and required by Rule 507.b(2), underlying the tracts of

the Application Lands to be pooled within seven (7) days of the date hereof. There are no unleased nonconsenting mineral owners within the Application Lands and PDC certifies that this Application complies with C.R.S. § 34-60-116, as amended. The list of Interested Parties is attached as Exhibit A.

17. In order to prevent waste and to protect correlative rights, all interests and tracts in the Wellbore Spacing Unit should be pooled for the orderly drilling and development of the Niobrara Formation.

WHEREFORE, PDC respectfully requests that this matter be set for hearing at the next available opportunity, that notice be given as required by law, and that the Commission enter an Order:

- A. Pooling all interests in the Application Lands and the Wellbore Spacing Unit for the development of the Niobrara Formation;
- B. Providing that the Commission's pooling order is made effective as of the earlier date of the Application, or the date that the costs specified in C.R.S. § 34-60-116(7)(b)(II) are first incurred for the drilling of the Blanca 4N Well in the Wellbore Spacing Unit to the Niobrara Formation on the Application Lands; and
- D. Providing for such other findings and order as the Commission may deem proper or advisable in this matter.

[SIGNATURE PAGE FOLLOWS]

DATED this 18th day of October, 2018.

Respectfully submitted,

PDC Energy, Inc.

By: Courtney M. Shephard
Michael T. Jewell, Esq. #40902
Courtney M. Shephard, Esq. #47668

Burns, Figa & Will, P.C.
6400 S. Fiddler's Green Circle – Suite 1000
Greenwood Village, CO 80111

PDC Energy, Inc.
Mr. Nicholas Lebsock, Regional Landman
1775 Sherman Street - Suite 3000
Denver, CO 80203

VERIFICATION

STATE OF COLORADO)
) ss.
COUNTY OF DENVER)

The undersigned, of lawful age, having been first sworn upon his oath, deposes and states that:

1. He is a Regional Landman – PDC Energy, Inc., which address is 1775 Sherman Street, Suite 3000, Denver, CO 80203.

2. He has read the attached application for the Blanca 4N Well, is familiar with the facts set forth therein, and states that said facts are true and correct to the best of his knowledge and belief.

Further Affiant sayeth not.



Ronald Nicholas Lebsock

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

Witness my hand and official seal.

My commission expires: Jan 7, 2021

ELLIOT LESLIE BERARD
Notary Public
State of Colorado
Notary ID # 20094000627
My Commission Expires 01-07-2021



EXHIBIT A

Interested Parties

Blanca 4N Well

PDC Energy, Inc.
Incline Niobrara Partners LP
Anadarko E&P Onshore LLC
Noble Energy, Inc.
Andrews Capital Holdings, LLC
Jean Marie Carpenter Mize
Lorene Anne Carpenter Putnam
The Carpenter Trust created March 16, 1990 -- Trust B, Joan Y. Carpenter, Trustee
Julius A. Pluss
Rose M. Pluss
McArthur Minerals, LLC
Incline Niobrara Partners, LP
Sam Pluss, Jr.
James H. Pluss
Mark Hamilton
Cyril John Grossaint
Keith Joseph Grossaint
Lisa J. Johnson
Richard Jeffrey Grossaint
Rosemary Alene Mathis
Centennial Mineral Holdings, LLC
Carol E. Barrett & Ronnie A. Barrett, JT
Joanne F. Hart & Gerald L. Hart, JT
Marise R. Downing
Norma J. Wegher
ROEC, Inc.
Sister Mary Wegher
Linda A. Wegher
Grayrock Minerals, LLC
Bettie Kaye Miller, a/k/a Bettie K. Miller
Duell Family Irrevocable Trust dated May 26, 2015
LHB Ventures, LLC
The Rita Cassell Living Trust, dated July 25, 2006
Paragon Oil & Gas LLC
De Soto Royalty Company, LLC
Cynthia M. Spurlock
The Fowler Revocable Living Trust, dated April 17, 2014, a/k/a The Fowler Revocable Trust dated April 17, 2014
New Direction IRA, Inc., FBO Rita A. Cassell IRA
Janet K. Schmidt

John Allen Duell
Linda S. Cantrell
Martha H. Salsar
Helen Crews
DC Heritage Trust
DOXA Heritage Trust
Harvey E. Cozzens Heritage Trust
Sharon Eileen Brandt
Oak Prairie Oil & Gas, L.L.C.
BLG Resources, LLC
Mekusukey Oil Company, LLC
Monterrey Minerals, LLC
Clayton L. Vandergriff
John Herpers & Kristen Herpers, JT
Mike's Oil Well, LLC

EXHIBIT B

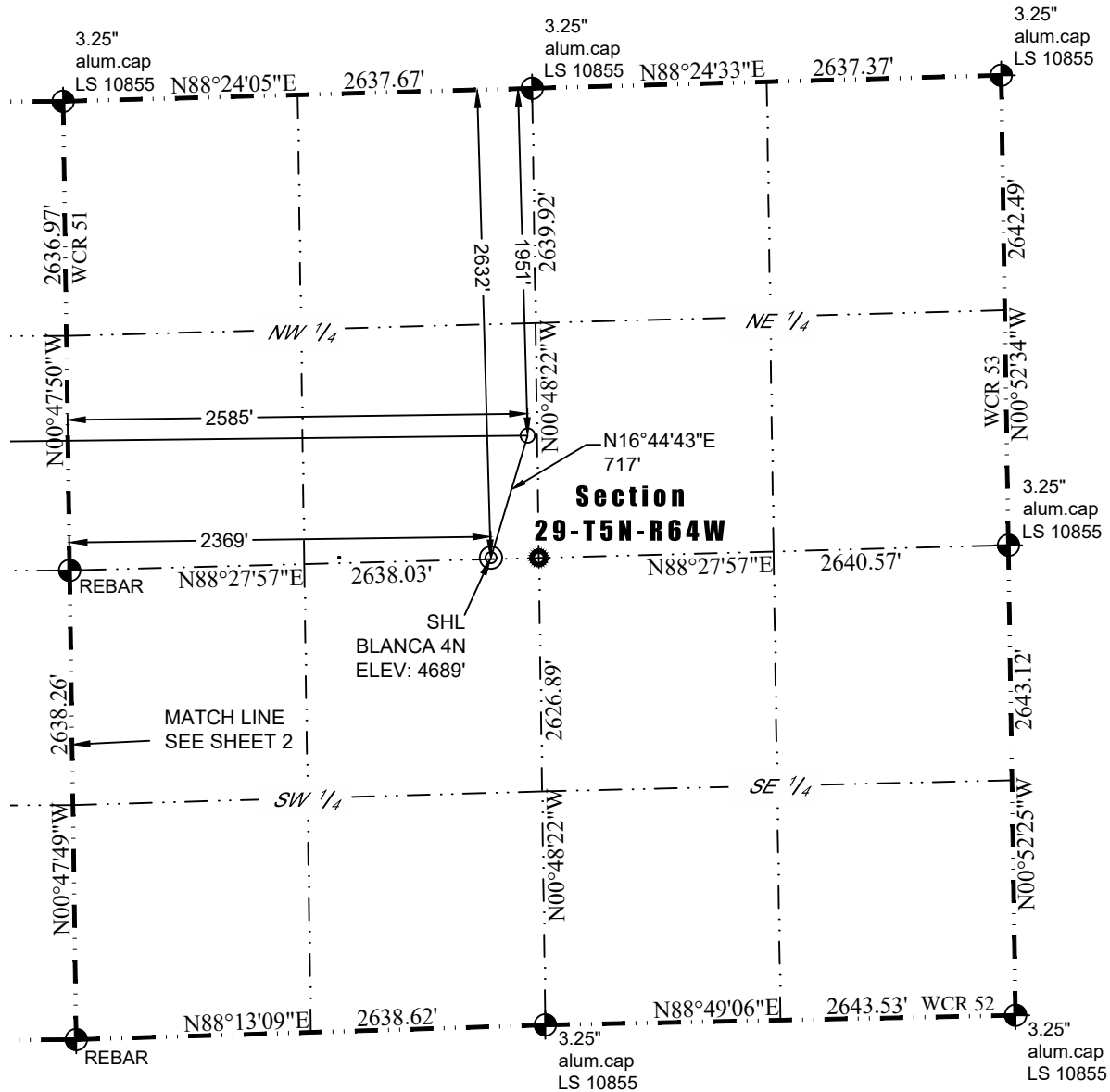
Plat

Blanca 4N Well

[ATTACHED]

WELL LOCATION CERTIFICATE

THIS MAP DOES NOT REPRESENT A BOUNDARY SURVEY



In accordance with a request from Paul Montville of PDC Energy, Inc., Washburn Land Surveying, LLC has determined the location of the **BLANCA 4N** well site to be SHL: 2632' FNL and 2369' FWL, (EP: 1951' FNL and 2585' FWL, BHL: 1951' FNL and 50' FWL), as measured at ninety (90) degrees from the section lines of Sections 29 and 30, Township 5 North, Range 64 West of the 6th Principal Meridian, Weld County Colorado.

Proposed Surface Hole Data:
Latitude: N 40.3701747°
Longitude: W 104.5746874°
PDOP: 1.3

Proposed Entry Point Data:
Latitude: N 40.3720540°
Longitude: W 104.5739201°

Proposed Bottom Hole Data:
Latitude: N 40.3720329°
Longitude: W 104.6017942°

Distance to nearest unit boundary: 595'

Nearest Cultural Items:
Building: 1342' NE
Building Unit: 1348' SE
Above Ground Utility: 268' NE
Public Road: 2356' W

Property Line: 8' S
Railroad: 5263' NW
High Occupancy Building Unit: +5280
Designated Outside Activity Area: +5280

LEGEND

- ⊕ - Found Survey Monument
- ⊙ - Calculated Location
- ⊙ - Surface Hole Location (SHL)
- - Entry Point Location (EPL)
- × - Bottom Hole Location (BHL)

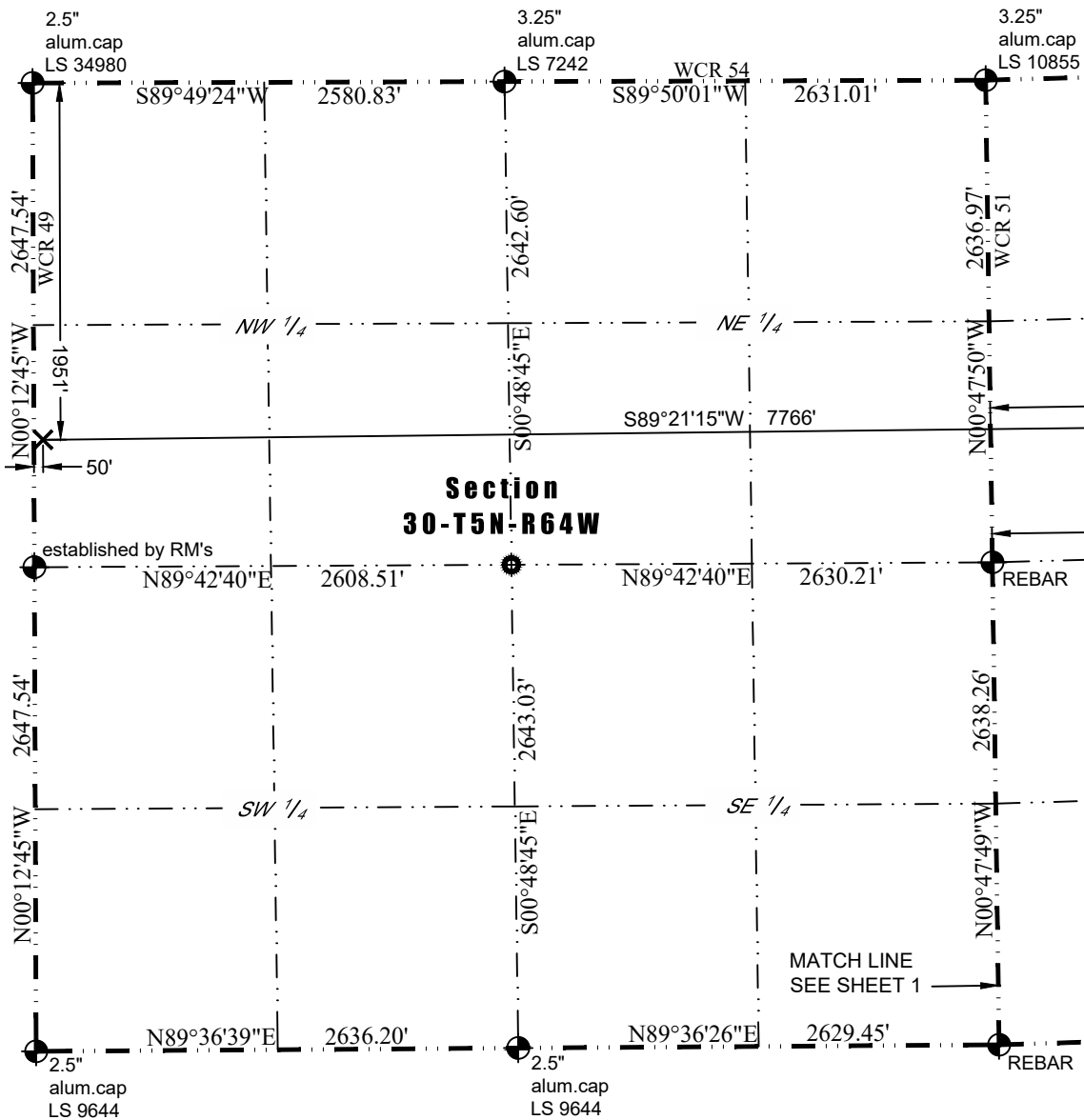
I hereby certify that this Well Location Certificate was prepared by me or under my direct supervision on 10/06/2017 for and on behalf of PDC Energy, Inc. that it is not a Land Survey Plat or an Improvement Survey Plat and that it is not to be relied upon for establishment of fences, buildings, or other future improvement lines.

John Robert McGehee, LS#38219
Well: BLANCA 4N

Notes:

- 1) Bearings and distances based on NAD 83 Colorado North State Plane Coordinate, using RTK GPS observations taken 6/30/17 by operator Jason Dahlman.
- 2) Conversion factor to ground (1.0002627827).
- 3) Elevations based on NAVD 88 GPS heights and Geoid 2009 corrections.
- 4) See Location Drawing for visible improvements within 500 feet of Pad Site.
- 5) The surface use is a cultivated field.

NOTICE: According to Colorado law you must commence any legal action based upon any defect in this W.L.C. within three years after you first discover such defect. In no event may any action based upon any defect in this W.L.C. be commenced more than ten years from this said date of the certification shown hereon.



LEGEND

- ⊕ - Found Survey Monument
- - Calculated Location
- ⊙ - Surface Hole Location (SHL)
- - Entry Point Location (EPL)
- ✕ - Bottom Hole Location (BHL)

