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

IN THE MATTER OF THE APPLICATION OF GREAT WESTERN OPERATING COMPANY. LLC FOR AN ORDER TO POOL ALL INTERESTS IN THREE (3) APPROXIMATE 720-**DESIGNATED** ACRE HORIZONTAL WELLBORE SPACING UNITS FOR PORTIONS OF SECTIONS 7, 18 AND 19, TOWNSHIP 1 SOUTH, RANGE 67 WEST, 6TH P.M., FOR THE DEVELOPMENT OF THE **NIOBRARA** FORMATION, WATTENBERG FIELD, ADAMS COUNTY, COLORADO

CAUSE NO. 407

DOCKET NO. 181200

TYPE: POOLING

APPLICATION

COMES NOW Great Western Operating Company, LLC (Operator No. 10110) ("Great Western" or "Applicant"), by its attorneys, Jost Energy Law, P.C., and makes this application to the Oil and Gas Conservation Commission of the State of Colorado ("Commission") for an order to pool all interests in three (3) approximate 720-acre designated horizontal Wellbore Spacing Units, as defined below, for the drilling of the following wells (API Nos. Pending): the B-Farm LD 18-396HN in WSU #1, the B-Farm LD 18-397HNX in WSU #2, and the B-Farm LD 18-398HNX in WSU #3 (collectively, the "Wells" and/or the "Wellbore Spacing Units") for the development and operation of the Niobrara Formation on the following described lands:

Township 1 South, Range 67 West, 6th P.M.

Section 7: E½
Section 18: E½

Section 19: N½NE¼

720-acres, more or less, Adams County, Colorado.

Hereinafter "Application Lands."

In support thereof, 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 and/or its affiliate company Grizzly Petroleum Company, LLC are Owners as defined by the Colorado Oil and Gas Conservation Act and the Commission's 100 Series Rules and own certain leasehold interests and/or the right to drill and produce on the Application Lands.

- 3. On February 19, 1992 (amended August 20, 1993), the Commission entered Order No. 407-87 which, among other things, established 80-acre drilling and spacing units for the production of oil, gas and associated hydrocarbons from the Codell and Niobrara Formations underlying certain lands, with permitted well locations in accordance with the provisions of Order No. 407-1.
- 4. On April 27, 1998, the Commission adopted Rule 318A, the Greater Wattenberg Area Special Well Location, Spacing and Unit Designation Rule.
- 5. On various dates prior to the date of this Application, the Commission entered the Orders pooling established Wellbore Spacing Units on portions of the Application Lands. The Orders are wellbore-specific and will not affect this Application.
- 6. Applicant designated the three (3) approximate 720-acre Wellbore Spacing Units for the production of oil, gas and associated hydrocarbons from the Niobrara Formation pursuant to Rule 318A and notified the appropriate parties under Rule 318A.
- 7. 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, in the Application Lands in the Niobrara Formation underlying the following approximate 720-acre Wellbore Spacing Units for the drilling of the B-Farm LD 18-396HN in WSU #1, the B-Farm LD 18-397HNX in WSU #2, and the B-Farm LD 18-398HNX in WSU #3 (API Nos. Pending) ("Wells"):

Township 1 South, Range 67 West, 6th P.M.

Section 7: E½
Section 18: E½
Section 19: N½NE¼

720-acres, more or less, Adams County, Colorado.

("Wellbore Spacing Units #1 - #3")

B-Farm LD 18-396HN in WSU #1 (Niobrara) B-Farm LD 18-397HNX in WSU #2 (Niobrara) B-Farm LD 18-398HNX in WSU #3 (Niobrara)

- 8. 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 B-Farm LD 18-396HN in WSU #1, the B-Farm LD 18-397HNX in WSU #2, and the B-Farm LD 18-398HNX in WSU #3 well to the Niobrara Formation on the Application Lands.
- 9. Applicant certifies that copies of this Application will be served on all persons owning an interest in the mineral estate of the tracts to be pooled within seven (7) days of the date hereof, as required by Rule 503.e., and that at least sixty (60) days prior to the

hearing on this matter, each such interest owner not already leased or voluntarily pooled will be offered the opportunity to lease, or to participate in the drilling of the respective Wells, and will be provided with the information required by Rule 530 as applicable.

- 10. That in order to prevent waste and to protect correlative rights, all interests in WSU #1 #3 should be pooled for the orderly development and operation of the Niobrara Formation, including any non-consenting interests therein.
- 11. 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.

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

- A. Pool all interests in three (3) approximate 720-acre designated horizontal Wellbore Spacing Units on the Application Lands for the development and operation of the Niobrara Formation.
- B. Provide 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 each Well in WSU #1, WSU #2 and WSU #3 for the development of the Niobrara Formation on the Application Lands.
- C. 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 Wells are pooled by operation of statute, pursuant to C.R.S. § 34-60-116(6) and (7), and made subject to the cost recovery provisions thereof with respect to the Wells drilled to develop the Niobrara Formation in the approximate 720-acre Wellbore Spacing Units comprising the Application Lands.
- D. For such other findings and orders as the Commission may deem proper or advisable in this matter.

Dated: October 18, 2018.

Respectfully submitted:

GREAT WESTERN OPERATING COMPANY, LLC

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

jjost@jostenergylaw.com

kwasylenky@jostenergylaw.com

Applicant's Address:

Great Western Operating Company, LLC ATTN: Matthew Acree 1801 Broadway, Suite 500

Denver, CO 80202

VERIFICATION

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

Matt Acree, of lawful age, being first duly sworn upon oath, deposes and says that he is the Sr. Landman for Great Western Operating Company, 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.

Matt Acree Sr. Landman

Great Western Operating Company, LLC

Subscribed and sworn to before me this kg day of October 2018.

Witness my hand and official seal.

[SEAL]

JANET C WILLSON
Notary Public
State of Colorado
Notary ID # 20024018949
My Commission Expires 08-11-2022

My commission expires:

Notary Public