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 FOUR HORIZONTAL WELLS, FOR A TOTAL OF UP TO EIGHT HORIZONTAL WELLS IN AN APPROXIMATE 1,280-ACRE DRILLING AND **SPACING UNIT ESTABLISHED** SECTIONS 22 AND 23, TOWNSHIP 3 SOUTH, 6TH RANGE 65 WEST, P.M., FOR PRODUCTION **NIOBRARA** FROM THE FORMATION UNNAMED FIELD, ADAMS COUNTY, COLORADO

CAUSE NO. 535

DOCKET NO. 190100

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 four (4) horizontal wells, for a total of up to eight (8) horizontal wells in 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 3 South, Range 65 West, 6th P.M.

Section 22: All Section 23: All

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

A reference map of the Application Lands is attached hereto.

3. On July 28, 2014, the Commission entered Order No. 535-513 which, among other things, 1) vacated two approximate 640-acre drilling and spacing units established by Order No. 535-89 for Sections 22 and 23, Township 3 South, Range 65

West, 6th P.M.; and 2) established an approximate 1280-acre exploratory drilling and spacing unit for the Application Lands and approved up to two horizontal wells within the unit, with the productive interval of the wellbores to be located no closer than 460 feet from the unit boundaries, and no closer than 960 feet from the productive interval of any other wellbore located in the unit, without exception being granted by the Director, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

- 4. On October 27, 2014, the Commission entered Order No. 535-579 which, among other things, pooled all interests in an approximate 1,280-acre exploratory drilling and spacing unit established for Sections 22 and 23, Township 3 South, Range 65 West, 6th P.M., for the development and operation of the Niobrara Formation, and subjected any nonconsenting interests to the cost recovery provisions of §34-60-116(7), C.R.S., for the drilling of the Bear 3-65 22-23 Well.
- 5. On January 29, 2018, the Commission entered Order No. 535-922, which approved an additional two horizontal wells, for a total of up to four horizontal wells, in an 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, 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 approved up to two well pads in the unit, or adjacent thereto, unless an exception is granted by the Director.
- 6. On April 30, 2018, the Commission entered Order No. 535-999 which, among other things, pooled all interests in an approximate 1,280-acre drilling and spacing unit established for Sections 22 and 23, Township 3 South, Range 65 West, 6th P.M., and subjected all nonconsenting interests to the cost recovery provisions of §34-60-116(7), C.R.S., for the drilling of the Bear 3-65 22-23 3AH Well (API No. 05-001-10004), the Bear 3-65 22-23 3BH Well (API No. Pending), the Bear 3-65 22-23 3CH Well (API No. Pending), and the Bear 3-65 22-23 3DH Well (API No. 05-001-10005), for the development and operation of the Niobrara Formation.
- 7. The records of the Commission reflect that four (4) horizontal wells have been drilled and are producing from the Niobrara Formation in the Application Lands: the Bear 3-65 22-23 3AH Well (API No. 05-001-10004), the Bear 3-65 22-23 3BH Well (API No. 05-001-10151), the Bear 3-65 22-23 3CH Well (API No. 05-001-10150), and the Bear 3-65 22-23 3DH Well (API No. 05-001-10005).
- 8. 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 four (4) horizontal wells, for a total of up to eight (8) 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.

- 9. 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.
- 10. 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.
- 11. 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.
- 12. 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 January 28-29, 2019, that notice be given as required by law, and that upon such hearing this Commission enter its order to:

- A. Authorize an additional four horizontal wells, for a total of up to eight horizontal wells, in an approximate 1,280-acre drilling and spacing unit established for Sections 22 and 23, Township 3 South, Range 65 West, 6th 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 eight 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 25th day of October, 2018.

Respectfully submitted:

ConocoPhillips Company

By:

Jamie L. Jost Kelsey H. Wasylerky 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: Zach Ray
600 N. Dairy Ashford Road
Houston, TX 77079-1069

VERIFICATION

STATE OF TEXAS)
	ss.
COUNTY OF HARRIS)

Zach Ray, of lawful age, being first duly sworn upon oath, deposes and says that he is a Senior Landman for ConocoPhillips Company, 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.

Zạch Ray

Senior Landman

ConocoPhillips Company

Subscribed and sworn to before me this 25^{4} day of October, 2018.

Witness my hand and official seal.

My commission expires: Hugust 6, 2

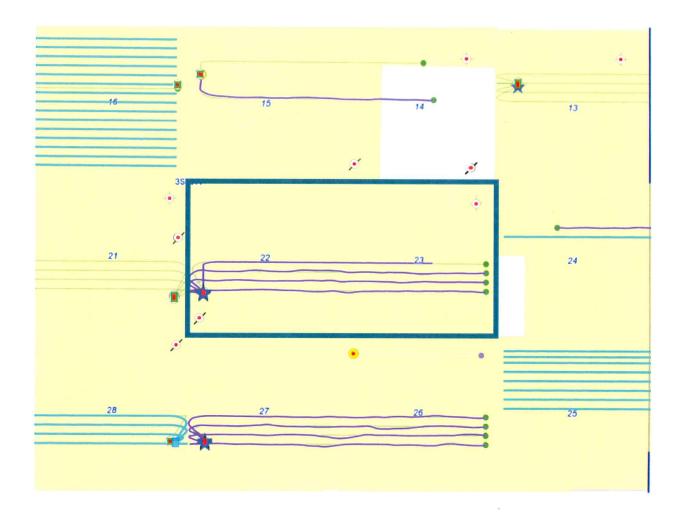
[SEAL]

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

Notary/Public

Reference Map ConocoPhillips Company

Sections 22 and 23, Township 3 South, Range 65 West, 6th P.M.



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

IN THE MATTER OF THE APPLICATION OF CONOCOPHILLIPS COMPANY FOR ORDER TO AUTHORIZE AN ADDITIONAL FOUR HORIZONTAL WELLS, FOR A TOTAL OF UP TO EIGHT HORIZONTAL WELLS IN AN APPROXIMATE 1,280-ACRE DRILLING AND **SPACING UNIT ESTABLISHED** SECTIONS 22 AND 23, TOWNSHIP 3 SOUTH. **RANGE** 65 WEST, 6^{TH} P.M., **FOR** PRODUCTION FROM THE **NIOBRARA FORMATION** UNNAMED FIELD, **ADAMS** COUNTY, COLORADO

CAUSE NO. 535

DOCKET NO. 190100002

TYPE: ADDITIONAL WELLS

AFFIDAVIT OF MAILING

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

The undersigned, of lawful age, and being first duly sworn upon my oath, state and declare that I am the attorney for ConocoPhillips Company, and that on or before the 1st day of November, 2018 I caused a copy of the Application to be deposited in the United States Mail, postage prepaid, addressed to the parties listed on Exhibit A to this Affidavit.

Jamie L. Jost Kelsey H. Wasylenky

Subscribed and sworn to before me this day of November, 2018.

Witness my hand and official seal.

Notary Public

CHARLOTTE LAWLESS
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20144023899
MY-COMMISSION EXPIRES JUNE 16, 2022

Exhibit COPC - ID Bear 3-65 22-23

Burlington Resources Oil & Gas Company LP 600 N. Dairy Ashford Houston, TX 77079

ConocoPhillips Company 600 N. Dairy Ashford Houston, TX 77079

Sean Hackett Colorado Department of Public Health & Environment 4300 Cherry Creek Drive South Denver, CO 80246-1530

Brandon Marette Energy Liaison Colorado Parks and Wildlife Northeast Regional Office 6060 Broadway Denver, CO 80216

Christine Doughtery Adams County 4300 South Adams County Pkwy, Brighton, CO 80601

James Wallace Unknown

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 APPROVE AN ADDITIONAL **FOUR** HORIZONTAL WELLS, FOR A TOTAL OF UP TO EIGHT HORIZONTAL WELLS IN AN APPROXIMATE 1,280-ACRE DRILLING AND SPACING UNIT ESTABLISHED FOR SECTIONS 22 AND 23, TOWNSHIP 3 SOUTH, RANGE 65 WEST, 6TH P.M., FOR PRODUCTION FROM THE NIOBRARA FORMATION, UNNAMED FIELD, ADAMS COUNTY, COLORADO

CAUSE NO. 535

DOCKET NO. 190100002

TYPE: ADDITIONAL WELLS

CONOCOPHILLIPS COMPANY'S MOTION FOR AN ORDER OF SERVICE BY PUBLICATION

COMES NOW ConocoPhillips Company (Operator No. 19160) and its wholly owned subsidiary Burlington Resources Oil & Gas LP (Operator No. 26580) (together, "Applicant" or "COPC"), by its attorneys, Jost Energy Law, P.C., and files this motion for an order of service by publication ("Motion") to the Colorado Oil and Gas Conservation Commission ("Commission" or "COGCC"). In support of its Motion, COPC states the following:

A. <u>Factual and Procedural History</u>.

- 1. COPC, as Applicant herein, is a corporation duly authorized to conduct business in the State of Colorado, is a registered operator in good standing with the Commission, and is an interested party in the subject matter of the above-referenced Docket as the applicant and owner of certain leasehold interests in the Application Lands described below.
- 2. The Commission has jurisdiction over the subject matter embraced in said Docket, and of the parties interested therein, and jurisdiction to promulgate the hereinafter prescribed order pursuant to the Oil and Gas Conservation Act.
- 3. On July 28, 2014, the Commission entered Order No. 535-513 which, among other things, 1) vacated two approximate 640-acre drilling and spacing units established by Order No. 535-89 for Sections 22 and 23, Township 3 South, Range 65 West, 6th P.M.; and 2) established an approximate 1280-acre exploratory drilling and spacing unit for the Application Lands and approved up to two horizontal wells within the unit, with the productive interval of the wellbores to be located no closer than 460 feet from the unit boundaries, and no closer than 960 feet from the productive interval of any

other wellbore located in the unit, without exception being granted by the Director, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

- 4. On October 27, 2014, the Commission entered Order No. 535-579 which, among other things, pooled all interests in an approximate 1,280-acre exploratory drilling and spacing unit established for Sections 22 and 23, Township 3 South, Range 65 West, 6th P.M., for the development and operation of the Niobrara Formation, and subjected any nonconsenting interests to the cost recovery provisions of §34-60-116(7), C.R.S., for the drilling of the Bear 3-65 22-23 Well.
- 5. On January 29, 2018, the Commission entered Order No. 535-922, which approved an additional two horizontal wells, for a total of up to four horizontal wells, in an 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, 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 approved up to two well pads in the unit, or adjacent thereto, unless an exception is granted by the Director.
- 6. On April 30, 2018, the Commission entered Order No. 535-999 which, among other things, pooled all interests in an approximate 1,280-acre drilling and spacing unit established for Sections 22 and 23, Township 3 South, Range 65 West, 6th P.M., and subjected all nonconsenting interests to the cost recovery provisions of §34-60-116(7), C.R.S., for the drilling of the Bear 3-65 22-23 3AH Well (API No. 05-001-10004), the Bear 3-65 22-23 3BH Well (API No. Pending), the Bear 3-65 22-23 3CH Well (API No. Pending), and the Bear 3-65 22-23 3DH Well (API No. 05-001-10005), for the development and operation of the Niobrara Formation.
- 7. On October 25, 2018, COPC filed a verified application in the above-captioned docket pursuant to §34-60-116, C.R.S. for an order to approve an additional four horizontal wells, for a total of up to eight horizontal wells, within an approximate 1,280-acre drilling and spacing unit established for the below-described lands ("Application Lands"), for the production of oil, gas and associated hydrocarbons from the Niobrara Formation, with the productive interval of each proposed horizontal well 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:

Township 3 South, Range 65 West, 6th P.M.

Section 22: All Section 23: All

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

- 8. On or before October 31, 2018, COPC will serve copies of the Application on all interested parties to the Application as defined in Rule 507.b.(1) and pursuant to Rule 503.e. (the "Interested Parties" or individually "Interested Party").
- 9. Upon reasonable due diligence, which is further detailed herein, COPC was unable to find address information for James C. Wallace (the "Unknown Address Party"). COPC listed the Unknown Address Party as "Address Unknown" in its Application.
- 10. The Commission has determined that in order for publication by notice to be effective as to persons with unknown addresses, the Applicant must first comply with Colorado Rule of Civil Procedure 4(g), which authorizes service of process by publication only after the Applicant files a verified motion with the Commission detailing Applicant's attempts to provide actual notice of the proceedings and the Commission grants the motion.

B. Standard of Review.

1. Section 34-60-108(4), C.R.S. provides:

"Any notice required by this article, except as provided in this section, shall be given by the commission either by mailing a copy thereof, postage prepaid, to the last known mailing address of the person to be given notice, or by personal service. In addition, the commission shall cause one publication of such notice, at least ten days prior to the hearing, in a newspaper of general circulation in the city and county of Denver and in a newspaper of general circulation in the county where the land affected, or some part thereof, is situated...In all cases where there is an application for the entry of a pooling order or unitization order...notice of the hearing to be held on such application or complaint shall be served on the interested parties either by mail as provided in this subsection (4) or in the same manner as is provided in the Colorado rules of civil procedure for the service of process in civil actions in the district courts of this state."

2. Commission Rule 519 states that "[t]he Colorado Rules of Civil Procedure apply to Commission proceedings unless they are inconsistent with Commission Rules or the Colorado Oil and Gas Conservation Act."

3. C.R.C.P. Rule 4(g) provides:

"Except as otherwise provided by law, service by mail or publication shall be allowed only in actions affecting specific property or status or other proceedings in rem. When service is by publication, the complaint need not be published with the summons. The party desiring service of process by mail or publication under this section (g) shall file a motion verified by the oath of such party or of someone in the party's behalf for an order of service by mail or publication. It shall state the facts authorizing such service, and

shall show the efforts, if any, that have been made to obtain personal service and shall give the address, or last known address, of each person to be served or shall state that the address and last known address are unknown. The court, if satisfied that due diligence has been used to obtain personal service or that efforts to obtain the same would have been to no avail, shall:

- (1) Order the party to send by registered or certified mail a copy of the process addressed to such person at such address, requesting a return receipt signed by the addressee only. Such service shall be complete on the date of the filing of proof thereof, together with such return receipt attached thereto signed by such addressee, or
- (2) Order publication of the process in a newspaper published in the county in which the action is pending. Such publication shall be made once each week for five successive weeks. Within 14 days after the order the party shall mail a copy of the process to each person whose address or last known address has been stated in the motion and file proof thereof. Service shall be complete on the day of the last publication. If no newspaper is published in the county, the court shall designate one in some adjoining county."

C. <u>COPC's Due Diligence in Attempting to Locate the Unknown Address Parties.</u>

In attempting to locate the Unknown Address Parties, COPC utilized the websites Archives.com, Familytreenow.com, Accurint.com, google.com and Ancestry.com in addition to conducting research at Heritage Title Company, the Adams County courthouse, and the probate filings in the Colorado State archives. As of the date of this Motion, COPC is unable to find a last known address for the Unknown Address Party nor is COPC able to find a last known address for any confirmed heirs of the Unknown Address Party.

D. Relief Requested

WHEREFORE, COPC respectfully requests the following relief:

- 1. That the Commission order publication of the process in the above-captioned docket in a newspaper published in Denver County, Colorado.
- 2. For such other findings and orders as the Commission may deem proper or advisable in this matter.

E. Reservation of Rights

COPC reserves its right to supplement this Motion.

Dated: October 29, 2018

Respectfully submitted,

CONOCOPHILLIPS COMPANY

Jamie L. Jost

Kelsey H. Wasylenky Jost Energy Law, P.C. 1401 17th Street, Suite 370

Denver, CO 80202 720-362-0875

jjost@jostenergylaw.com kwasylenky@jostenergylaw.com

Applicant's Address:
ConocoPhillips Company
Attn: Zach Ray
600 N. Dairy Ashford Road
Houston, TX 77079-1069

VERIFICATION

STATE OF TEXAS)
) ss
COUNTY OF HARRIS)

Zach Ray, Senior Landman with ConocoPhillips Company, upon oath deposes and says that he has read the foregoing Motion for an Order of Service by Publication and that the statements contained therein are true to the best of his knowledge, information and belief.

CONOCOPHILLIPS COMPANY

Zach Ray Senior Landma

Subscribed and sworn to before me this 25 day of October, 2018, by Zach Ray, Senior Landman for ConocoPhillips Company.

Witness my hand and official seal.

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

My commission expires: $\frac{\text{August 6, 2021}}{\text{My commission}}$

Notary Public

CERTIFICATE OF SERVICE

I hereby certify that, on October 29, 2018, Jost Energy Law, P.C. caused ConocoPhillips Company's Motion for Publication of Summons in Colorado Oil and Gas Conservation Commission Docket No. 190100002 to be served via electronic mail to the Colorado Oil and Gas Conservation Commission pursuant to Rule 509.3.(E), and by U.S. mail at the address listed below.

Colorado Oil and Gas Conservation Commission
Julie Spence Prine, Hearing Manager
Margaret Humecki, Hearings Assistant
James Rouse, Hearing Supervisor
1120 Lincoln Street, Suite 810
Denver, CO 80203
James.Rouse@state.co.us
Margaret.Humecki@state.co.us
James.Rouse@state.co.us

Jost Energy Law, P.C.