

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

IN THE MATTER OF THE **AMENDED**  
APPLICATION OF MALLARD EXPLORATION,  
LLC FOR AN ORDER TO: 1) VACATE TWO  
640-ACRE DRILLING AND SPACING UNITS  
FOR SECTIONS 32 AND 33, TOWNSHIP 9  
NORTH, RANGE 61 WEST, 6<sup>TH</sup> P.M.; AND 2)  
ESTABLISH AN APPROXIMATE 640-ACRE  
DRILLING AND SPACING UNIT FOR THE S½  
OF SECTIONS 32 AND 33, TOWNSHIP 9  
NORTH, RANGE 61 WEST, 6<sup>TH</sup> P.M., AND  
APPROVE UP TO SEVEN (7) NEW  
HORIZONTAL WELLS IN THE 640-ACRE UNIT  
FOR THE DEVELOPMENT AND OPERATION  
OF THE NIOBRARA, FORT HAYS, CODELL  
AND CARLILE FORMATIONS, UNNAMED  
FIELD, WELD COUNTY, COLORADO

CAUSE NO. 535

DOCKET NO. 190100122

TYPE: SPACING

**AMENDED APPLICATION**

COMES NOW Mallard Exploration, LLC (Operator No. 10670) ("Applicant"), by and through its undersigned attorneys, and respectfully submits this Application to the Oil and Gas Conservation Commission of the State of Colorado (the "Commission") for an order to: 1) vacate two approximate 640-acre drilling and spacing units established by Order No. 535-3 for Sections 32 and 33, Township 9 North, Range 61 West, 6<sup>th</sup> P.M.; and 2) establish an approximate 640-acre drilling and spacing unit for the S½ of Sections 32 and 33, Township 9 North, Range 61 West, 6<sup>th</sup> P.M., and to approve up to 7 new wells in the proposed approximate 640-acre drilling and spacing unit, 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 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 is an Owner and/or Operator as defined by the Colorado Oil and Gas Conservation Act, § 34-60-103(7) and the Commission 100 Series Rules, owns leasehold interests and/or has the right to drill and produce on the following lands (hereafter "Application Lands"):

Township 9 North, Range 61 West, 6<sup>th</sup> P.M.

Section 32: S½

Section 33: S½

640-acres, more or less, Weld County, Colorado.

A reference map of the Application Lands is attached hereto.

3. On February 22, 2011, the Commission entered Order No. 535-3 which established establish 160 approximate 640-acre drilling and spacing units for certain lands in Townships 8, 9 and 10, North, Ranges 58 through 61, West, 6<sup>th</sup> P.M., and allow one horizontal well in each unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation. Sections 32 and 33, Township 9 North, Range 61 West, 6<sup>th</sup> P.M. are subject to this Order for the Niobrara Formation.

4. To promote efficient drainage within the Niobrara, Codell, Fort Hays and Carlile Formations of the Application Lands, to protect correlative rights and to avoid waste, the Commission should: 1) vacate two approximate 640-acre drilling and spacing units established by Order No. 535-3 for Sections 32 and 33, Township 9 North, Range 61 West, 6<sup>th</sup> P.M.; and 2) establish an approximate 640-acre drilling and spacing unit for the S½ of Sections 32 and 33, Township 9 North, Range 61 West, 6<sup>th</sup> P.M., and approve up to 7 new wells in the proposed approximate 640-acre drilling and spacing unit, for the production of oil, gas, and associated hydrocarbons from the Niobrara, Fort Hays, Codell and Carlile Formations

5. The above-proposed drilling and spacing unit will allow efficient drainage of the Niobrara, Fort Hays, Codell and Carlile Formations; 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 well in the unit.

6. Mallard maintains that there will be no more than two (2) new well pads in the unit, or adjacent thereto, unless an exception is granted by the Director.

7. The productive interval of each proposed horizontal well shall be no closer than 600 feet from the boundaries of the proposed 640-acre unit (regardless of lease lines within the unit), unless an exception is granted by the Director, and all horizontal wells shall be no closer than 150 feet from the productive interval of ~~another well producing from the same supply~~ **any other wellbore** within the unit, unless a waiver or consent is obtained from the operator of such well.

8. The Commission records demonstrate that there are no producing horizontal wells within the unit.

9. Mallard is requesting to drill and complete up to 7 new horizontal wells (at the time of this filing, the horizontal wells are intended to be oriented in an east/west or west/east orientation) in the proposed approximate 640-acre drilling and spacing unit for the efficient and economic development of oil, gas and associated



hydrocarbons from the Niobrara, Fort Hays, Codell and Carlile Formations underlying the Application Lands.

10. 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.

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.

12. 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.

WHEREFORE, Mallard 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, the Commission enter its order to:

A. Vacate two approximate 640-acre drilling and spacing units established by Order No. 535-3 for Sections 32 and 33, Township 9 North, Range 61 West, 6<sup>th</sup> P.M., for the production of oil, gas and associated hydrocarbons from the Niobrara Formation;

B. Establish an approximate 640-acre drilling and spacing unit for the S½ of Sections 32 and 33, Township 9 North, Range 61 West, 6<sup>th</sup> P.M., and approve up to 7 new wells in the proposed approximate 640-acre drilling and spacing unit, for the production of oil, gas, and associated hydrocarbons from the Niobrara, Fort Hays, Codell and Carlile Formations;

C. Provide that the productive interval of each proposed horizontal well shall be no closer than 600 feet from the boundaries of the proposed unit (regardless of lease lines within the unit), and no closer than 150 feet from the productive interval of any other wellbore within the unit, unless an exception is granted by the Director, and authorizing up to two (2) new well pads within the unit, or adjacent thereto, unless an exception is granted by the Director; and

D. Finding that the approximate 640-acre drilling and spacing unit for the development of oil, gas, and associated hydrocarbons from the Niobrara, Fort Hays, Codell and Carlile Formations underlying the Application Lands will prevent waste, protect correlative rights, and maximize the efficient and economic production of the Niobrara, Fort Hays, Codell and Carlile Formations in the the S½ of Sections 32 and 33, Township 9 North, Range 61 West, 6<sup>th</sup> P.M.

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

**DATED December 20, 2018.**

Respectfully submitted:

**MALLARD EXPLORATION, LLC**

By:


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

Jamie L. Jost  
Kelsey H. Wasylenky  
Jost Energy Law, P.C.  
Attorneys for Applicant  
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Denver, Colorado 80202  
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Applicant's Address:

Mallard Exploration, LLC  
ATTN: Michael Sobecki  
1400 16<sup>th</sup> Street, Suite 300  
Denver, CO 80202

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

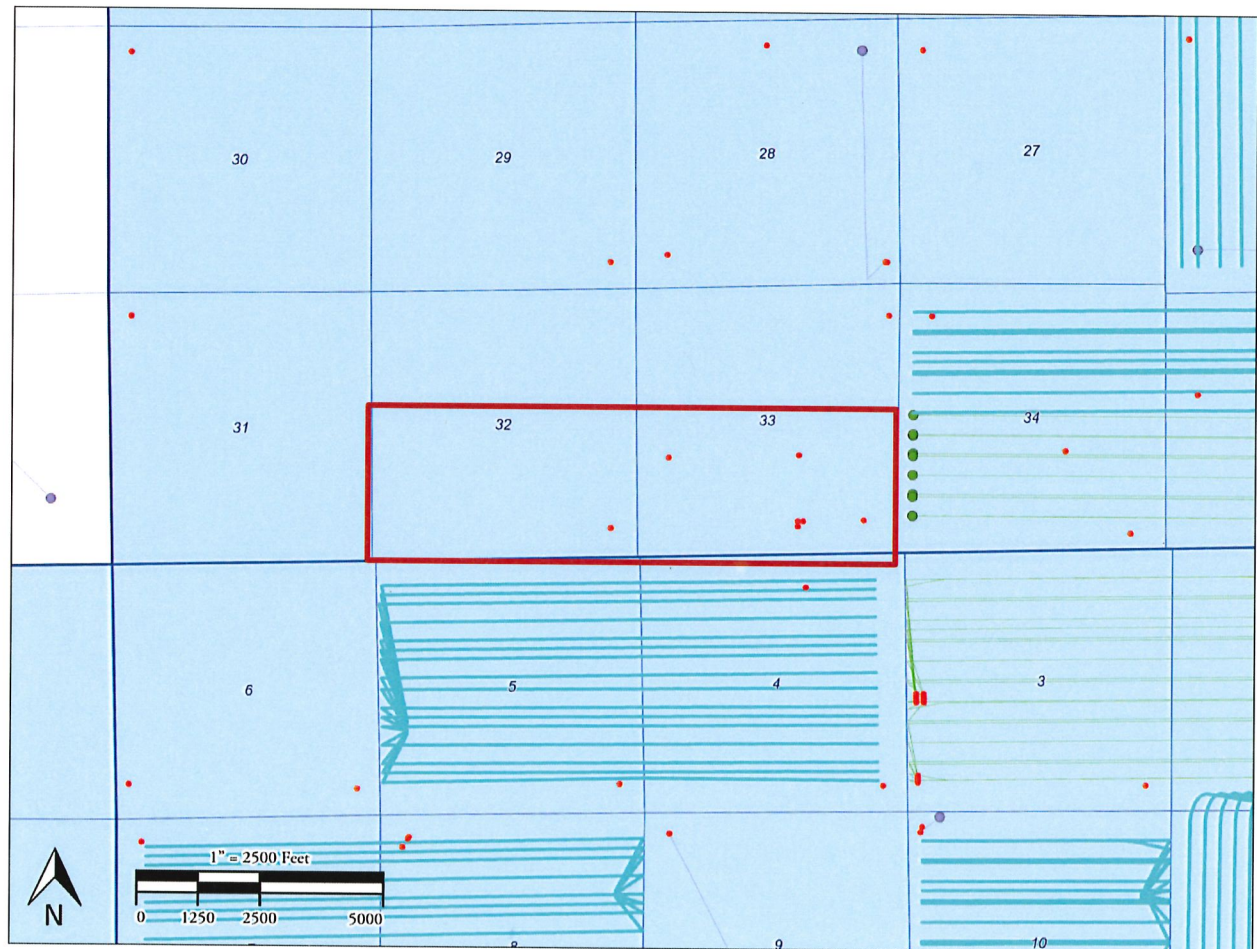
  
Michael G. Sobecki  
Senior Landman  
Mallard Exploration, LLC

**MADISON MAMAGHANI  
NOTARY PUBLIC  
STATE OF COLORADO  
NOTARY ID 20174036078  
COMMISSION EXPIRES AUG. 29, 2021**

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Notary Public

Reference Map  
Mallard Exploration, LLC

S½ of Sections 32 and 33, Township 9 North, Range 61 West, 6<sup>th</sup> P.M.





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FIELD, WELD COUNTY, COLORADO

TYPE: SPACING

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

Jamie L. West

Subscribed and sworn to before me this 14 day of December, 2018.

  
Notary Public

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

**EXHIBIT A**  
**Mallard SP - T9N, R61W S2 Sec 32 & S2 Sec 33**

Noble Energy WyCo, LLC  
1001 Noble Energy Way  
Houston, TX 77070

Noble Energy, Inc.  
1001 Noble Energy Way  
Houston, TX 77070

DPOC, LLC  
140016<sup>th</sup> St. Ste 300  
Denver, CO 80202

Bison Oil & Gas II, LLC  
518 17<sup>th</sup> St., Ste 180  
Denver, CO 80202

Diana Lee Martinez  
274 W. Golf Place  
Pagosa Springs

WCR 100 Group, LLC  
2219 Smallwood Dr.  
Fort Collins, CO 80528

Mallard Exploration, LLC  
ATTN: Michael Sobecki  
1400 16<sup>th</sup> Street, Suite 300  
Denver, CO 80202

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

Jason Maxey  
Weld County  
Department of Planning Services  
1555 North 17<sup>th</sup> Avenue  
Greeley, CO 80631