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

IN THE MATTER OF THE APPLICATION OF RAISA II OPERATING, LLC AND RAISA ENERGY, LLC FOR AN ORDER TO POOL ALL INTERESTS IN AN APPROXIMATE 1,280-ACRE DRILLING AND SPACING UNIT FOR SECTIONS 35 AND 36, TOWNSHIP 1 NORTH, RANGE 66 WEST, 6<sup>TH</sup> P.M. AND TO FOR THE DEVELOPMENT AND OPERATION FROM THE CODELL AND NIOBRARA FORMATIONS, WATTENBERG FIELD, WELD COUNTY, COLORADO

CAUSE NO. 407

DOCKET NO. 190100\_\_\_\_

TYPE: POOLING

### **APPLICATION**

COMES NOW Raisa II Operating, LLC and Raisa Energy, LLC (Operator No. 10636) ("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 within an approximate 1280-acre drilling and spacing unit for Sections 35 and 36, Township 1 North, Range 66 West, 6<sup>th</sup> P.M. for the development and operation from the Niobrara and Codell Formations. 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 1 North, Range 66 West, 6th P.M.

Section 35: All

Section 36: All

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

A reference map of the Application Lands is attached hereto.

- 3. On April 27, 1998, the Commission adopted Rule 318A, the Greater Wattenberg Area Special Well Location, Spacing and Unit Designation Rule.
  - 4. 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.

- 5. On September 17, 2018, the Commission entered Order No. 407-2582 which established an approximate 1280-acre drilling and spacing unit for Sections 35 and 36, Township 1 North, Range 66 West, 6<sup>th</sup> P.M., and approved up to twenty-two (22) horizontal wells within the unit, for the efficient and economic development and operation of the Codell and Niobrara Formations.
- 6. 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 and any party failing to fulfill its election, in the Application Lands in the Niobrara and Codell Formations underlying the drilling and spacing unit established for the Application Lands for the drilling of the following sixteen horizontal wells ("Wells"):
  - Raisa State 27HZNC #1 (API No. 05-123-48707)
  - Raisa State 27HZNC #2 (API No. 05-123-48712)
  - Raisa State 27HZNC #3 (API No. 05-123-48710)
  - Raisa State 27HZNC #4 (API No. 05-123-48718)
  - Raisa State 27HZNC #5 (API No. 05-123-48720)
  - Raisa State 27HZNC #6 (API No. 05-123-48722)
  - Raisa State 27HZNB #1 (API No. 05-123-48711)
  - Raisa State 27HZNB #2 (API No. 05-123-48709)
  - Raisa State 27HZNB #3 (API No. 05-123-48708)
  - Raisa State 27HZNB #4 (API No. 05-123-48717)
  - Raisa State 27HZNB #5 (API No. 05-123-48719)
  - Raisa State 27HZNB #6 (API No. 05-123-48716)
  - Raisa State 27HZC #1 (API No. 05-123-48714)
  - Raisa State 27HZC #2 (API No. 05-123-48715)
  - Raisa State 27HZC #3 (API No. 05-123-48721)
  - Raisa State 27HZC #4 (API No. 05-123-48713)
- 9. 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 Wells to the Niobrara and Codell Formations on the Application Lands.
- 10. Applicant certifies that copies of this Application will be served on all persons owning a recorded and known interest in the mineral estate of the tracts to be pooled within seven days of the date hereof, as required by Rule 503.e., and that at least 60 days prior to the hearing on this matter, each such recorded and known interest owner not already leased or voluntarily pooled will be offered the opportunity to lease and/or

participate and will be provided with the information required by Rule 530 and § 34-60-116, C.R.S. as applicable.

11. In order to prevent waste and to protect correlative rights, all interests in the drilling and spacing unit should be pooled for the orderly development and operation of the Codell and Niobrara Formations, including any non-consenting interests therein.

WHEREFORE, Applicant 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:

A. Pooling all interests, including but not limited to any non-consenting interests and any party failing to fulfill its election, in the following approximate 1,280-acre drilling and spacing unit established for the development and operation of the Niobrara and Codell Formations:

Township 1 North, Range 66 West, 6th P.M.

Section 35: All Section 36: All

1,280-acres, more or less, Weld County, Colorado.

- B. Providing 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 C.R.S. § 34-60-116(7)(b) are first incurred for the drilling of the following sixteen (16) horizontal wells ("Wells") for the production of oil, gas and associated hydrocarbons from the Niobrara and Codell Formations on the Application Lands:
  - Raisa State 27HZNC #1 (API No. 05-123-48707)
  - Raisa State 27HZNC #2 (API No. 05-123-48712)
  - Raisa State 27HZNC #3 (API No. 05-123-48710)
  - Raisa State 27HZNC #4 (API No. 05-123-48718)
  - Raisa State 27HZNC #5 (API No. 05-123-48720)
  - Raisa State 27HZNC #6 (API No. 05-123-48722)
  - Raisa State 27HZNB #1 (API No. 05-123-48711)
    Raisa State 27HZNB #2 (API No. 05-123-48709)
  - Raisa State 27HZNB #2 (API No. 05-123-48709)
     Raisa State 27HZNB #3 (API No. 05-123-48708)
  - Raisa State 27HZNB #4 (API No. 05-123-48717)
  - Raisa State 27HZNB #5 (API No. 05-123-48719)
  - Raisa State 27HZNB #6 (API No. 05-123-48716)
  - Raisa State 27HZC #1 (API No. 05-123-48714)
  - Raisa State 27HZC #2 (API No. 05-123-48715)
  - Raisa State 27HZC #3 (API No. 05-123-48721)
  - Raisa State 27HZC #4 (API No. 05-123-48713)

- C. Providing that any party who fails to make a timely election to lease or to participate is pooled by operation of statute, pursuant to § 34-60-116(6) and (7), C.R.S., and made subject to the cost recovery provisions thereof with respect to the Wells drilled to develop the Niobrara and Codell Formations in the drilling and spacing unit comprising the Application Lands.
- D. For such other findings and orders as the Commission may deem proper or advisable in this matter.

Dated: November 29, 2018.

Respectfully submitted:

RAISA II OPERATING, LLC AND RAISA ENERGY, LLC

By:

Jamle L. Jost Jill D. Dorancy

Jost Energy Law, P.C. Attorneys for Applicant 1401 17<sup>th</sup> Street, Suite 370 Denver, Colorado 80202 (720) 446-5620

Applicant's Address:

Raisa Energy, LLC ATTN: Casey Harless 1560 Broadway, Suite 2050 Denver, CO 80202

#### VERIFICATION

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

Babak Fadaiepour, of lawful age, being first duly sworn upon oath, deposes and says that he is General Counsel for Raisa II Operating, LLC and Raisa Energy, 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.

Babak Fadaiepour

Raisa II Operating, LLC and Raisa Energy, LLC

Subscribed and sworn to before me this  $\frac{29}{2}$  day of November, 2018.

Witness my hand and official seal.

[SEAL]

My commission expires: \_

Notary Public

JEFF MASTERSON NOTARY PUBLIC STATE OF COLORADO NOTARY ID # 20154039664 MY COMMISSION EXPIRES AUGUST 65, 2818

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

IN THE MATTER OF THE APPLICATION OF RAISA II OPERATING, LLC AND RAISA ENERGY, LLC FOR AN ORDER TO POOL ALL INTERESTS IN AN APPROXIMATE 1,280-ACRE DRILLING SPACING UNIT FOR SECTIONS 35 AND 36. TOWNSHIP 1 NORTH, RANGE 66 WEST, 6<sup>TH</sup> P.M. AND TO FOR THE DEVELOPMENT AND OPERATION FROM THE CODELL AND NIOBRARA FORMATIONS, WATTENBERG FIELD, WELD COUNTY, COLORADO

CAUSE NO. 407

DOCKET NO. 190100157

TYPE: POOLING

#### **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 Raisa II Operating, LLC and Raisa Energy, LLC, and that on or before the 5<sup>th</sup> day of December, 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 December, 2018.

Witness my hand and official seal.

CHARLOTTE LAWLESS

NOTARY PUBLIC

STATE OF COLORADO

NOTARY ID 20144023899

MY COMMISSION EXPIRES JUNE 16, 2022

### Exhibit A Raisa – FP - State

Grizzly Petroleum Company, LLC Attn: Land Manager 1801 Broadway, Suite 500 Denver, CO 80202

United States Exploration, Inc. Attn: Land Manager 1560 Broadway, Suite 1900 Denver, CO 80202

Kerr-McGee Oil & Gas Onshore LP Attn: Land Manager 1099 18th Street, Suite 1800 Denver, CO 80202

Anadarko Land Corp. P.O. Box 1330 Houston, TX 77251-1330

Anadarko Land Corp. Attn: Land Manager 1099 18th Street, Suite 1800 Denver, CO 80202

Raisa II, LLC Raisa II Operating, LLC ATTN: Casey Harless 1560 Broadway, Suite 2050 Denver, CO 80202

Verdad Resources, LLC 590 Cedar Springs Road, Suite 200 Dallas, TX 753235

State of Colorado, acting by and through the State Board of Land Commissioners 1127 Sherman St, Suite 300, Denver, CO 80203