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

IN THE MATTER OF THE APPLICATION	)	CAUSE NO.	407
OF THE PROMULGATION AND	)		
ESTABLISHMENT OF FIELD RULES TO	)	DOCKET NO.	
GOVERN OPERATIONS FOR THE	)		
NIOBRARA FORMATION, WATTENBERG	)	TYPE:	POOLING
FIELD WELD COUNTY COLORADO	Ĺ		

#### **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 680-acre Wellbore Spacing Unit, as further defined below, for the drilling and development of the Geib 26U-234 well (API No. 05-123-44855) ("Well"), which requires the amending of Order 407-2283 in order to reflect the as-drilled acreage for the Well, of the Niobrara formation on the following described lands:

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

Section 22: SE1/4SW1/4, S1/2SE1/4

Section 23: S1/2S1/2

Section 25: NW1/4NW1/4

Section 26: N½N½

Section 27: N½N½

Section 28: NE¼NE¼

Weld County, Colorado, containing approximately 680.00 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. Rule 318A, as amended on August 8, 2011 addresses the drilling of horizontal wells under Rule 318A.a.(4)D. Rule 318A was originally established on April 27, 1998 to allow for certain drilling locations to drill or twin an existing well, deepen a well, or recomplete a well. Rule 318A also provided for the commingling of any or all of the Cretaceous Age formations from the Dakota formation to the surface. Rule 318A was first amended on December 5, 2005 to allow for interior infill and boundary wells and spacing units.

- 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 the Application Lands, with the permitted well locations in accordance with the provisions of Order 407-1.
- 5. On May 18, 2010, the Commission entered Order No. 407-358, which, among other things, pooled all non-consenting interests in a 160-acre wellbore spacing unit for the S½SE¼ of Section 21 and N½NE¼ of Section 28, Township 5 North, Range 65 West, 6<sup>th</sup> P.M., for the Magnuson F #28-27D well (API No. 05-123-29895), from the Codell and Niobrara formations. Order No. 407-358 is not affected by this Application, and proceeds from any shared lands will be accounted for in the production of the Well.
- 6. On June 30, 2011, the Commission entered Order No. 232-278, which, among other things, pooled all non-consenting interests in a 160-acre wellbore spacing unit for the W½NW¼ of Section 25 and E½NE¼ of Section 26, Township 5 North, Range 65 West, 6<sup>th</sup> P.M., for the Geib #41-26 well (API No. 05-123-32111), from the Niobrara, Codell, and "J" Sand formations. Order No. 232-278 is not affected by this Application, and proceeds from any shared lands will be accounted for in the production of the Well.
- 7. Also on June 30, 2011, the Commission entered Order No. 232-284, which, among other things, pooled all non-consenting interests in a 160-acre wellbore spacing unit for the SE¼SE¼ of Section 23, SW¼SW¼ of Section 24, NW¼NW¼ of Section 25, and NE¼NE¼ of Section 26, Township 5 North, Range 65 West, 6<sup>th</sup> P.M., for the Geib #26-26 well (API No. 05-123-32114), from the Niobrara, Codell, and "J" Sand formations. Order No. 232-284 is not affected by this Application, and proceeds from any shared lands will be accounted for in the production of the Well.
- 8. On April 11, 2014, the Commission entered Order No. 407-985, which, among other things, pooled all non-consenting interests in a 400-acre wellbore spacing unit for the SW¼SW¼ of Section 19 and NW¼NW¼ of Section 30, Township 4 North, Range 64 West, 6<sup>th</sup> P.M., and the S½S½ of Section 24 and N½N½ of Section 25, Township 5 North, Range 65 West, 6<sup>th</sup> P.M., for the LaSalle 25E-202 well (API No. 05-123-37408), from the Niobrara formation. Order No. 407-985 is not affected by this Application, and proceeds from any shared lands will be accounted for in the production of the Well.
- 9. Also on April 11, 2014, the Commission entered Order No. 407-986, which, among other things, pooled all non-consenting interests in a 320-acre wellbore spacing unit for the N½ of Section 25, Township 5 North, Range 65 West, 6<sup>th</sup> 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.
- 10. On November 7, 2016, the Commission entered Order No. 407-1818, which, among other things, established a 640-acre drilling and spacing unit for the N½ of

Section 26 and N½ of Section 27, Township 5 North, Range 65 West, 6<sup>th</sup> P.M., for the Niobrara and Codell formations, and approved up to nine wells. The Commission vacated Order No. 407-1818 on June 21, 2017 in Order No. 407-2089.

11. Under the provisions of Rule 530 and C.R.S. § 34-60-116(6)–(7), PDC originally requested, and was granted under Order 407-2283, an order pooling all interests, including non-consenting interests and the ability to drill through all tracts, in the Application Lands for the development of the Niobrara formation underlying the following approximate 400-acre Wellbore Spacing Unit:

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

Section 25: NW1/4NW1/4

Section 26: N½N½

Section 27: N½N½

Section 28: NE¼NE¼

Weld County, Colorado ("Original Wellbore Spacing Unit")

- 12. PDC designated this 400-acre Original 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.
- 13. However, on December 20, 2018, PDC submitted a Form 4/Sundry Notice for the Well to modify the Original Wellbore Spacing Unit to reflect the as-drilled acreage of the wellbore spacing unit of the Application Lands.
- 14. Under the provisions of Rule 530 and C.R.S. § 34-60-116(6)–(7), PDC requests that the Commission amend Order No. 407-2283 to reflect the as-drilled acreage of the Well and, accordingly, to apply the involuntary pooling provisions of Order No. 407-2283 to the Wellbore Spacing Unit consisting of the Application Lands. This request includes the application of any and all portions of C.R.S. § 34-60-116(6)–(7) to be applied to any additional person or entity who has not elected to participate or lease and that own an interest in the Application Lands.
- 15. PDC represents that a nonconsenting owner is immune from liability for costs arising from spills, releases, damage, or injury resulting from oil and gas operations in the Wellbore Spacing Unit.
- 16. PDC requests that the Commission's amended Order No. 407-2283 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 Geib 26U-234 Well to the Niobrara formation in the Wellbore Spacing Unit.
- 17. The granting of this Application is in accord with the Oil and Gas Conservation Act, C.R.S. § 34-60-101 et seq., and the Commission Rules.

- 18. PDC requests that the relief granted under this Application be effective upon oral order of the Commission, and PDC hereby agrees to be bound by such oral order.
- 19. 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 Wellbore Spacing Unit within seven (7) days of the date hereof, and in accordance with Rule 507.b.(2) and Rule 530. The list of such Interested Parties, is attached as Exhibit A.
- 20. 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. Amending Order No. 407-2283, insofar as it covers the Geib 26U-234 Well, to apply only to the Wellbore Spacing Unit for the Geib 26U-234 Well, drilled to develop 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 Geib 26U-243 Well to the Niobrara formation on the Application Lands; and
- C. Providing for such other findings and order as the Commission may deem proper or advisable in this matter.

[SIGNATURE PAGE FOLLOWS]

### DATED this 8th day of January, 2019.

Respectfully submitted,

PDC Energy, Inc.

Michae T. Jewell, Esq. #40902

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

PDC Energy, Inc. Mr. J. Tyler Sims, MBA, CPL 1775 Sherman Street - Suite 3000 Denver, CO 80203

#### **VERIFICATION**

STATE OF COLORADO	)	
COUNTY OF DENVER	)	SS.
The undersigned, of lawful age and states that:	, having	been first sworn upon his oath, deposes
<ol> <li>He is a Senior Regional</li> <li>Sherman Street, Suite 3000, Der</li> </ol>		an - PDC Energy, Inc., which address is 80203.
		ation for the Geib 26U-234 well, is familiar said facts are true and correct to the best
Further Affiant sayeth not.		
		J. Tyler Sims, MBA, CPL
Subscribed and sworn to before		
Witness my hand and official se My commission expires:	al. 8/20	1/2022
TAYLOR HULBERT  NOTARY PUBLIC  STATE OF COLORADO  NOTARY ID 20184034072  MY COMMISSION EXPIRES AUGUST 24, 2022		Tans

## EXHIBIT A

#### **Interested Parties**

#### Geib 26U-234 Well

"\*" denotes the interested parties that <u>may</u> be subject to the statutory cost recovery provisions of C.R.S. § 24-60-116.

PDC Energy, Inc.
Miresco, Inc.*
Incline Niobrara Partners, LP*
Pulsar Oil and Gas, Inc.*
Evertson Well Service, Inc.*
Robert S. Shriver, III*
Cigna Energy Partners Joint Ventures 1985-A*
Sonic Oil & Gas, LP*
Christopher Edwards*
Aluma Energy, LLC*
Robert D. Bowers and Thelma E. Bowers, as Joint Tenants*
Vera M. Hoff
Springbok Energy Partners, LLC
Sequoia Royalty Company, LLC
Top Rock Resources, LLC
Black Knife Minerals, LLC
Viola May Amen
Walter E. Hoff
Nancy Stroh
Harry Lee Alles
Lidia Work, Trustee of the Lidia Work Trust, dated September 28, 1987
Floyd S. Sharp and Wauneta Sharp, as joint tenants
Howard L. Moran and Teresa A. Moran, as joint tenants
Stephen E. Mokray and Bertha M. Mokray Joint Revocable Trust
Jose Menjivar and Alma Menjivar, as joint tenants
Daryl D. Taylor, a/k/a Daryl Dean Taylor

Susan Carol Alles Lezlee Clark McQueen The Estate of Jesse B. Taylor Karen D. Diehl Jamie E. Autrey John T. Autrey James P. Miller and Mildred H. Miller, Co-Trustees of the James P. Miller Revocable Trust, dated October 25, 1991, as amended and restated by its First Amendment and Restatement dated January 30, 1996 Don Lee Schafer, as Trustee of the Don Lee Schafer Living Trust, dated July 14, 2006 Eudora Autrey and Mildred Miller, as Co-Trustees of the Ernest E. Sanders Family Trust Mary K. Sheehan Virginia G. Nance Cade Oil and Gas, LLC Kristin Hoch Quinn James D. Wicklatz Katharine A. Wicklatz Johns Hopkins University Kenneth Davies Hill Donald P. Hill Trust, dated July 19, 1999 Barbara H. Irwin Odyssey Royalties, L.L.C. Pepco, Inc. Sayers S. Neugent Revocable Trust dated November 21, 2016 William R. Sarran Revocable Trust dated June 15, 2008 Louis A. Oswald, III, Trustee of the Oswald Family Trust, dated April 27, 1998 Pumpkin Buttes LLC Jonathan S. Roderick, Trustee of the Jonathan S. Roderick Living Trust, dated February 8, 2007 Tall Grass Energy LLC FBO Investments, LLLP Fougasse Ventures, LLC Ryland Royalty Trinity Resources LLC

Alma I. Tigher and Kallay D. Tigher, as joint tangents
Alma L. Tisher and Kelley B. Tisher, as joint tenants
Lennan Main, Ltd.
Argonaut Ventures, LLC
John P. Allen
Toni L. Dengler
O. Paul Leonard, III
Westco Family Limited Partnership
KRL Black River Royalty
Comanche Enterprises, Inc.
Laura Elizabeth Leonard Insurance Trust
Louise Keffler
Matthew L. Geib and Lisa R. Geib, as joint tenants
Duwain D. Kaveny
Duwain D. Kaveny, Trustee of the Roger A. Kaveny Trust
Duwain D. Kaveny, Trustee of the Brian L. Kaveny Trust
EG, LLC
Clarence D. Ehrlich
Noble Energy, Inc.
Rueben Ehrlich
Russell T. Rudy Energy, LLC
J. Larry Ehrlich
Linda Dianne Weingardt, f/k/a Linda Dianne Ottinger
Russell Ehrlich
Jonathan Ehrlich
Sandy Kenney
Jose A. Aguirre
The Harry Lee Alles Revocable Trust, Marion Mallard as Trustee
Atomic Capital Minerals LLC
Kimberly Kay McMurren
Stella C. Lofland
Kevin William Lofland
Christopher Anthony Lofland
Erik Joshua Lofland
Andrew Patrick Lofland
Michael J. Boutler and Daisy I. Boutler, as joint tenants

Wayne H. Dorn and Jacqueline Dorn, as joint tenants

Theodore Buderus and Daniel J. Buderus, as joint tenants

Daniel J. Buderus, Theodore A. Buderus, Claire Mae Buderus, and Harold F. Buderus, as joint tenants

Hoshiko Minerals LLC

Glenn Badley and Rebecca Badley, as joint tenants

The Thomas and Marjorie Brown Family Trust dated March 20, 2001, Thomas D. Brown and Marjorie A. Brown as Trustees

## EXHIBIT B

Plat

Geib 26U-234 Well (As-Drilled)

[ATTACHED]

36		35				34			33	
SWSW SESW	SESE	SWSE	SESW	MSMS	SESE	SWSE	NSESW	MSMS	SESE	SWSE
NWSW NESW	NESE	NWSE	NESW	NWSW	NESE	NWSE	NESW	NWSW	NESE	NWSE
SWNW SENW	SENE	SWNE	SENW	MININS	SENE	SWNE	SENW 27	NNNS	SENE 28	SWNE
NVANW NEWW	NENE WAY	INMINE	NEWW	(65Wmm	GEIB-26U-234 ENVES WWW	GEIBZ	NEWW	MANAMA	NENE	NWNE
SWSW SESW	SESE SM	SWSE	SESW	MSMS	SESE	SWSE	SESW	MS/MS	SESE	SWSE
NWSW DESW	NESE	<b>23</b> wyse	NESW	NWSW	NESE	<b>22</b>	NESW	NWSW	NESE	NWSE
SWNW	SENE	SWNE	SENW	MIMS	SENE	SWNE	SENW	MMMS	SENE	SWNE

DJ Preliminary Proposed Spacing Unit

Legend

Date: 11/21/2018 GEIB 26U-234



Preliminary Proposed Spacing Unit

460' Foot Wellbore Buffer

Disclaimer:

PDC Energy, Inc., makes no representation or warranty regarding the accuracy or non-completeness of this map, which is being provided as a countersy only, PDC Energy, Inc. expressly disclaims all liability and responsibility for any representation, warranty, statement or depution in this map, whether express, statutory or implied, as to the content, character or nature of any information contended in this map, including, but not limited to, the leasehold dergage positions, well locations and statuses or any other information depicted. Any conclusions derived from this map are at the sole cost, risk and expense of the user.



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

IN THE MATTER OF THE APPLICATION OF THE PROMULGATION AND ESTABLISHMENT OF FIELD RULES TO GOVERN OPERATIONS FOR THE NIOBRARA FORMATION, WATTENBERG FIELD, WELD COUNTY, COLORADO	,
CERTIFICATE (	OF SERVICE
Michael T. Jewell, of lawful age, and being declares:	first duly sworn upon his oath, states and
That he is the attorney for PDC Energy, Inc., copy of the Application and the Notice of Heathe COGCC, to be deposited in the United Sthe interested parties listed on Exhibit A to the By:	aring in the above-referenced matter before States Mail, postage prepaid, addressed to
Ī	Michael 7. Jewell, Esq. License #40902
6	Burns, Figa & Will, P.C. 6400 S. Fiddler's Green Circle – Suite 1000 Greenwood Village, CO 80111
STATE OF COLORADO ) ) SS. COUNTY OF ARAPAHOE)	
Subscribed and sworn to before me this	
My commission expires:	019
PARASIA OLEKSIUK NOTARY PUBLIC STATE OF COLORADO NOTARY ID 20154021765 MY COMMISSION EXPIRES JUNE 3, 2019	2. 0.

## **EXHIBIT A**

#### **Interested Parties**

#### Geib 26U-234 Well

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Cigna Energy Partners Joint Ventures 1985-A*
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Robert D. Bowers and Thelma E. Bowers, as Joint Tenants*
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Trinity Resources LLC

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Noble Energy, Inc.
Rueben Ehrlich
Russell T. Rudy Energy, LLC
J. Larry Ehrlich
Linda Dianne Weingardt, f/k/a Linda Dianne Ottinger
Russell Ehrlich
Jonathan Ehrlich
Sandy Kenney
Jose A. Aguirre
The Harry Lee Alles Revocable Trust, Marion Mallard as Trustee
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Kimberly Kay McMurren
Stella C. Lofland
Kevin William Lofland
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