

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

IN THE MATTER OF THE PROMULGATION)	CAUSE NO.	407
AND ESTABLISHMENT OF FIELD RULES)		
TO GOVERN OPERATIONS FOR THE)	DOCKET NO.	190300233
NIOBRARA AND CODELL FORMATIONS,)		
WATTENBERG FIELD, WELD COUNTY,)	TYPE:	SPACING
COLORADO)		

AMENDED APPLICATION

PDC Energy, Inc. (Operator No. 69175) ("PDC" or "Applicant"), 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 to: establish an approximate 1,920-acre drilling and spacing unit for the Application Lands for the production of oil, gas, and associated hydrocarbons from the Niobrara and Codell formations, and approve up to thirty-two (32) horizontal wells drilled from a maximum of four (4) well pads for the production of oil, gas, and associated hydrocarbons from the Niobrara and Codell formations on the following described lands:

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

Section 15: All

Section 16: All

Section 17: All

Weld County, Colorado (containing a total of approximately 1,920 acres)

Referred herein as the "Application Lands." A reference map depicting the Application Lands is attached hereto and marked as Exhibit B.

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. On April 27, 1998, the Commission adopted Rule 318A, which, among other things, allowed certain drilling locations to be utilized to drill or twin a well, deepen a well or recomplete a well, and to commingle any or all of the Cretaceous Age Formations from the base of the Dakota Formation to the surface. Rule 318A supersedes all prior Commission drilling and spacing orders affecting well location and density requirements of Greater Wattenberg Area wells. On December 5, 2005, Rule 318A was amended, among other things, to allow interior infill and boundary wells to be drilled and wellbore

spacing units to be established. On August 8, 2011, Rule 318A was again amended, among other things, to address drilling of horizontal wells. The Application Lands are subject to Rule 318A for the Codell and Niobrara Formations.

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 portions of the Application Lands, with the permitted well locations in accordance with the provisions of Order 407-1.

5. On June 20, 2016, the Commission entered Order No. 407-1021, which, among other things, pooled an approximate 404-acre designated wellbore spacing unit for the Tahoma E22-69HC Well (API No. 05-123-38866), consisting of the S $\frac{1}{2}$ S $\frac{1}{2}$ of Section 15, the SE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 16, the NE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 21, and the N $\frac{1}{2}$ N $\frac{1}{2}$ of Section 22, all of Township 6 North, Range 65 West, 6th P.M., for the production of oil, gas, and associated hydrocarbons from the Codell and formation. PDC excludes from this Application the Tahoma E22-69HC Well and asserts that the production and payments from the Tahoma E22-69HC Well should be maintained under the authority of Order No. 407-1021 and other applicable Commission orders and rules.

6. **The Commission records show wells drilled from the RELIANCE E/23-79HN Location (Location ID: 435930), as drilled under Rule 318A. PDC excludes from this Application RELIANCE E/23-79HN Location and the following associated wells drilled from the pad:**

- **Eagle E #14-79HN (API No. 05-123-38863)**
- **Seneca E #15-72-1HN (API No. 05-123-38864)**
- **Seneca E #15-72-1HC (API No. 05-123-38865)**
- **Tahoma E #22-69HC (API No. 05-123-38866)**

and asserts that the production and payments from the RELIANCE E/23-79HN Location should be maintained under applicable Commission orders and rules.

7. PDC excludes from this Application all existing vertical and directional wells located on the Application Lands, to the extent they are still producing, and asserts that the production and payments from the existing vertical and directional wells should be maintained under the authority of all applicable Commission rules and orders.

8. The proposed approximate 1,920-acre drilling and spacing unit is not smaller than the maximum area that can be economically and efficiently drained by the proposed wells.

9. PDC requests that the Commission approve the development of up to thirty-two (32) horizontal wells in the proposed approximate 1,920-acre drilling and spacing unit for the production of oil, gas, and associated hydrocarbons from the Codell and Niobrara

formations. The proposed wells will be drilled from surface locations described in Rule 318A or on other lands with consent of the landowner, unless an exception is granted by the Director. The wells will be stacked by formation to comply with the minimum distances from the outer boundaries of the proposed drilling and spacing unit and from any other well producing from the Codell and Niobrara formations.

10. Applicant states that, for any permitted wells to be drilled under this Application, the productive intervals of the wellbores shall be no less than 150 feet from the east and west unit boundaries, and no less than 460 feet from the north and south unit boundaries. Applicant further states that the interwell setbacks shall be no less than 150 feet from the productive interval of any other well producing from the Niobrara and Codell formations, unless an exception is granted by the Director.

11. The proposed wells shall be drilled from a maximum of four (4) well pads located within the approximate 1,920-acre drilling and spacing unit, or on adjacent lands with consent of the landowner, unless an exception is granted by the Director.

12. The granting of this Application is in accordance with the Oil and Gas Conservation Act, C.R.S. § 34-60-101 et seq., and the Commission Rules.

13. 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.

14. The names of the interested parties, according to PDC's information and belief, are set forth in the attached Exhibit A, and the undersigned certifies that copies of this Application will be served on each interested party at least thirty-five (35) days in advance of any Commission hearing at which the matter will first be heard, pursuant to Rule 507.

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 to:

- A. Establish an approximate 1,920-acre drilling and spacing unit for the Application Lands and approve up to thirty-two (32) horizontal wells in the proposed unit, for production of oil, gas, and associated hydrocarbons from the Niobrara and Codell formations;
- B. Require the productive interval of the wellbore of any permitted wells in the unit to be located no closer than 150 feet from the east and west unit boundaries, and no closer than 460 feet from the north and south unit boundaries, with the permitted wells being drilled in a east/west orientation;

- C. Require that the productive interval of the wellbore of any permitted wells in the unit be located no closer than 150 feet from the productive interval of any other wellbore located in the unit; and
- D. Provide that the wells shall be drilled from a maximum of four (4) well pads within the unit subject to Rule 318A or on adjacent lands, unless an exception is granted by the Director.

DATED this 31st day of January, 2019.

Respectfully submitted,

PDC ENERGY, INC.



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PDC Energy, Inc.
Mr. Nicholas Lebsock
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Denver, CO 80203

VERIFICATION

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

The undersigned, of lawful age, having been first sworn upon his oath, deposes and states that:

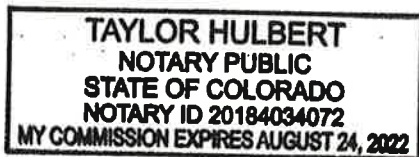
1. He is a Regional Landman for PDC Energy, Inc., which address is 1775 Sherman Street, Suite 3000, Denver, CO 80203.
2. He has read the within application, is familiar with the facts set forth therein, and states that said facts are true and correct to the best of his knowledge and belief.

Further Affiant sayeth not.


Ronald Nicholas Lebsock

Subscribed and sworn to before me this 10th day of January, 2019.

Witness my hand and official seal. 8/24/2022
My commission expires: _____



T. S. S. S.

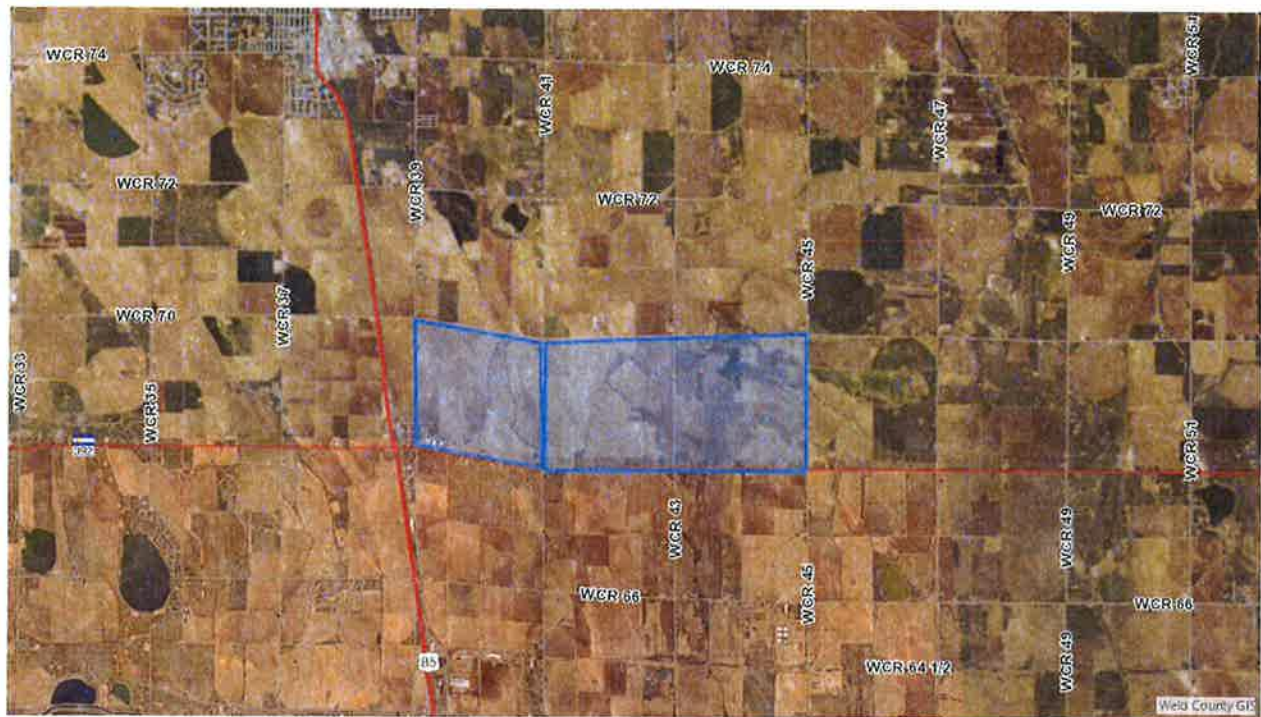
Exhibit A

Interested Party List
Spacing Application

PDC Energy, Inc.
Colorado Parks and Wildlife
Weld County Department of Planning Services
Colorado Department of Public Health & Environment
Noble Energy, Inc.
Nobel Energy WyCo, LLC
Francis Energy, Inc.
Hornet Resources, LLC
Incline Niobrara Partners, LP
Kerr-McGee Oil & Gas Onshore LP
Michael B. Hungenberg
Paul D. Hungenberg
Pumba Enterprises, LLC
R.A. Resources, Inc.
SRC Energy, Inc.

Exhibit B

Reference Map of Application Lands



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