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

IN THE MATTER OF THE APPLICATION OF NOBLE ENERGY, INC., FOR AN ORDER TO ESTABLISH AN APPROXIMATE 800-ACRE UNIT AND SPACING DRILLING **FOR** SECTIONS 4, 5 AND 6, PORTIONS OF TOWNSHIP 8 NORTH, RANGE 59 WEST. 6TH P.M., AND TO APPROVE UP TO FOUR (4) NEW HORIZONTAL WELLS IN THE 800-ACRE UNIT FOR THE DEVELOPMENT AND OPERATION OF THE NIOBRARA, FORT HAYS, CODELL AND CARLILE FORMATIONS. WELD COUNTY, COLORADO

CAUSE NO. 535

DOCKET NO. 190400

TYPE: SPACING

APPLICATION

COMES NOW Noble Energy, Inc. (Operator No. 100322) ("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 establish an approximate 800-acre drilling and spacing unit for portions of Sections 4, 5 and 6, Township 8 North, Range 59 West, 6th P.M., for the development and operation of the Niobrara, Fort Hays, Codell and Carlile Formations and to approve up to four (4) new horizontal wells in the proposed approximate 800-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 below-described lands. In support of its Application, Applicant states and alleges as follows:

- 1. Applicant is a corporation 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 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 8 North, Range 59 West, 6th P.M.

Section 4: $S\frac{1}{2}$ Section 5: $S\frac{1}{2}$ Section 6: $SE\frac{1}{4}$

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

A reference map of the Application Lands is attached hereto.

- 3. On October 31, 2011, the Commission entered Order No. 535-86, which, among other things, established an approximate 640-acre drilling and spacing unit comprised of all of Section 5, Township 8 North, Range 59 West, 6th P.M., and approved up to two horizontal wells within the unit, for production of oil, gas and associated hydrocarbons from the Niobrara Formation.
- 4. On December 16, 2013, the Commission entered Order No. 535-436 which, among other things, established an approximate 640-acre drilling and spacing unit for Section 4, Township 8 North, Range 59 West, 6th P.M., and approved one horizontal well within the unit, for the production of oil, gas and associated hydrocarbons from the Codell-Niobrara Formation. Section 4, Township 8 North, Range 59 West, 6th P.M. is subject to this Order for the Codell-Niobrara Formation.
- 5. On June 17, 2014, the Commission entered Order No. 535-496 which modified Order Nos. 535-3, 535-102, and 535-436, allowing 300 foot boundary setbacks for the southern section lines of Sections 22, 23, and 24, Township 9 North, Range 59 West, 6th P.M., the eastern section lines of Section 28 and 33, Township 9 North, Range 59 West, 6th P.M., and the northern section lines of Sections 3 and 4, Township 8 North, Range 59 West, 6th P.M.
- 6. On October 26, 2015 the Commission entered Order No. 535-704 which, among other things: (1) partially vacated Order No. 535-86, insofar as the same covered all of Section 5, Township 8 North, Range 59 West, 6th P.M.; (2) established a 960-acre drilling and spacing unit, for the production of oil, gas and associated hydrocarbons Codell and Niobrara Formations, comprised of all of Section 32, Township 9 North, Range 59 West, 6th P.M. and the N½ of Section 5, Township 8 North, Range 59 West, 6th P.M.; and (3) approved the drilling, completion and operation of up to 28 horizontal wells, the treated intervals of which to be located: (i) no closer than 460 feet from the boundaries of such drilling and spacing unit and (ii) not less than 150 feet from any existing or permitted oil or gas wellbore, absent exception being granted by the Director or variance being granted by the Commission.
- 7. On August 29, 2016, the Commission entered Order No. 535-735 which, among other things, 1) vacated the approximate 960-acre drilling and spacing unit approved by Order No. 535-704 for the production of oil, gas, and associated hydrocarbons from the Niobrara and Codell Formations, in so far as Order No. 535-704 pertains to the N½ of Section 5, Township 8 North, Range 59 West, 6th P.M.; and 2) established an approximate 480-acre drilling and spacing unit for the N½ of Section 5 and the NE¼ of Section 6, Township 8 North, Range 59 West, 6th P.M., and approved up to 10 horizontal wells within the unit, for the production of oil, gas, and associated hydrocarbons from the Codell and Niobrara Formations.
- 8. The Commission records reflect that there is one horizontal well currently producing from the Niobrara Formation in the Application Lands: the Bulleit Federal PC LG 04-62HN Well (API No. 05-123-38758). Applicant requests that the Commission allow for the Bulleit Federal PC LG 04-62HN Well to remain under its existing

640-acre drilling and spacing unit as to the Niobrara Formation for purposes of payment of proceeds, and provide that the existing well shall be excluded from the proposed 800-acre drilling and spacing unit proposed in this Application.

- 9. To promote efficient drainage within the Niobrara, Fort Hays, Codell and Carlile Formations of the Application Lands, to protect correlative rights and to avoid waste, the Commission should establish an approximate 800-acre drilling and spacing unit for Application Lands for the efficient and economic development and operation of the Niobrara, Fort Hays, Codell and Carlile Formations.
- 10. 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.
- 11. Noble maintains that there will be no more than one (1) new well pad in the unit, or adjacent thereto, unless an exception is granted by the Director.
- 12. The productive interval of each proposed horizontal well shall be no closer than 600 feet on the boundaries of the proposed 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 within the unit, unless a waiver or consent is obtained from the operator of such well.
- 13. Noble is requesting to drill and complete up to four (4) new horizontal wells in the proposed approximate 800-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.
- 14. The undersigned certifies that copies of this Application will be served on each interested party as required by Rule 507.
- 15. 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.
- 16. 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, Noble respectfully requests that this matter be set for hearing in April, 2019, that notice be given as required by law, and that upon such hearing, the Commission enter its order:

- A. Establishing an approximate 800-acre drilling and spacing unit for portions of Sections 4, 5 and 6, Township 8 North, Range 59 West, 6th P.M., and allowing up to four (4) new horizontal wells in the unit in order to efficiently and economically develop and recover the Niobrara, Fort Hays, Codell and Carlile Formations in the unit.
- B. Providing that the productive interval of each proposed horizontal well shall be no closer than 600 feet on the boundaries of the proposed unit (regardless of lease lines within the unit), and no closer than 150 feet from the productive interval of another well in the unit, unless an exception is granted by the Director, and authorizing up to one new well pad within the unit, or adjacent thereto, unless an exception is granted by the Director.
- C. Finding that the approximate 800-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 Sections 4, 5 and 6, Township 8 North, Range 59 West, 6th P.M.
- D. For such other findings and orders as the Commission may deem proper or advisable in this matter.

DATED January 6th, 2019.

Respectfully submitted:

NOBLE ENERGY, INC.

By: _

Jamie L. Jost
Kelsey Wasylenky
Jost Energy Law, P.C.
Attorneys for Applicant
1401 17th Street, Suite 370
Denver, Colorado 80202
(720) 446-5620

Applicant's Address:

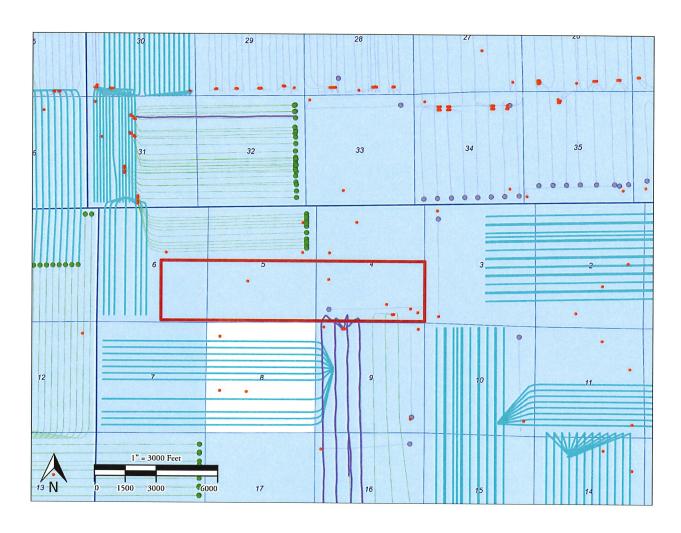
Noble Energy, Inc. ATTN: Brant Douglass 1625 Broadway, Suite 2200 Denver, CO 80202

VERIFICATION

STATE OF COLORADO)	
CITY AND COUNTY OF DENVER) ss.)	
Ryan D. Antonio, of lawful age, being first duly sworn upon oath, deposes and says that he is a Land Manager for Noble Energy, Inc., 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.		
	Ryan D. Antonio Attorney-In-Fact Noble Energy, Inc.	√ ⁸
Subscribed and sworn to before me this 18 day of January, 2019.		
Witness my hand and official seal.	JULIE K BROWN	
[SEAL]	Notary Public State of Colorado Notary ID # 20094014382 My Commission Expires 04-30-2021	
My commission expires: $04/30$	12021	
Julo Bri		
Notary Public		

Reference Map Noble Energy, Inc.

Section 4, 5 and 6 Township 8 North, Range 59 West, 6th P.M.



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

IN THE MATTER OF THE APPLICATION OF

NOBLE ENERGY, INC., FOR AN ORDER TO

ESTABLISH AN APPROXIMATE 800-ACRE

DRILLING AND SPACING UNIT FOR PORTIONS

OF SECTIONS 4, 5 AND 6, TOWNSHIP 8 NORTH,

RANGE 59 WEST, 6TH P.M., AND TO APPROVE

UP TO FOUR (4) NEW HORIZONTAL WELLS IN

THE 800-ACRE UNIT FOR THE DEVELOPMENT

AND OPERATION OF THE NIOBRARA, FORT

HAYS, CODELL AND CARLILE FORMATIONS,

WELD COUNTY, COLORADO

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the Application and Notice of Hearing in the above-referenced docket were deposited in the U.S. mail on or before February 28, 2019 postage pre-paid, to the interested parties listed on the attached <u>Exhibit A</u>.

DATED this 25° day of March 2019.

Sydney Nelson

Exhibit A Noble SP - T8N-R59W- Secs 4-5-6

Verdad Resources, LLC 5950 Cedar Springs Road, Suite 200 Dallas , TX 75235

Verdad Resources, Nominee Co. 5950 Cedar Springs Road, Suite 200 Dallas , TX 75235

Haimo Oil & Gas, LLC 2715 Sunnycreek Lane Pearland , TX 77584

Oil India (USA), Inc. Attn: Mr. G.K. Sharma, Country Manager & President 101 Southwestern Blvd., Suite 136 Sugarland, TX 77478

IOCL (USA), Inc. Attn: Mr.
Prashant Gohel, Chief Manager (E&P)
333 Clay Street, Suite 3300
Houston, TX 77002

Noble Energy WyCo, LLC Attn: Julie Brown 1625 Broadway, Suite 2200 Denver, CO 80202 Verdad Resources, LLC 1401 17th Street, Suite 925 Denver, CO 80202

Douglas Thomas-Schepeler 17431 E. Gunnison Place Aurora, CO 80017

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 17th Avenue Greeley, CO 80631