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

IN THE MATTER OF THE APPLICATION OF MALLARD EXPLORATION, LLC FOR AN ORDER TO APPROVE 300' REDUCED SETBACKS ON THE BOUNDARIES OF AN APPROXIMATE 1280-ACRE DRILLING AND SPACING UNIT ESTABLISHED FOR SECTIONS 28 AND 33, TOWNSHIP 8 NORTH, RANGE 60 WEST, 6TH P.M., FOR THE NIOBRARA, FORT HAYS, CODELL AND CARLILE FORMATIONS, UNNAMED FIELD, WELD COUNTY, COLORADO

CAUSE NO. 535

DOCKET NO. 190400

TYPE: EXCEPTION LOCATION

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 approve 300-foot reduced setbacks on the unit boundaries of an approximate 1280-acre drilling and spacing unit established for Sections 28 and 33, Township 8 North, Range 60 West, 6th P.M. for the efficient and economic production 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 organized and 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 and Commission Rules and owns leasehold interests or holds the right to operate on the following lands (hereafter "Application Lands"):

Township 8 North, Range 60 West, 6th P.M.

Section 28: All Section 33: All

Weld County, Colorado, 1280-acres, more or less.

A reference map of the Application Lands is attached hereto.

3. On July 29, 2013, the Commission entered Order No. 535-378 which established an approximate 640-acre drilling and spacing unit for Section 28, Township 8 North, Range 60 West, 6th P.M., and approved up to four horizontal wells within the unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

- 4. On July 29, 2013, the Commission entered Order No. 535-390, which established two approximate 640-acre drilling and spacing units for Sections 32 and 33, Township 8 North, Range 60 West, 6th P.M., and approved up to four horizontal wells within each unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.
- 5. On July 28, 2014, the Commission entered Order 535-520, which, among other things, vacated two approximate 640-acre drilling and spacing units established for Sections 28 and 33, Township 8 North, Range 60 West, 6th P.M., and established an approximate 1,280-acre drilling and spacing unit in Sections 28 and 33, Township 8 North, Range 60 West, 6th P.M., and approved four horizontal wells within the unit, for the production of oil, gas and associated hydrocarbons from the Niobrara and Codell Formations.
- 6. On November 28, 2017, the Commission entered Order No. 535-897 which amended Order 535-520, insofar as it applies to the 1,280-acre drilling and spacing unit previously established for Sections 28 and 33, Township 8 North, Range 60 West, 6th P.M., to include the Fort Hays and Carlile Formations and approved a total of up to 16 horizontal wells within the unit, for the production of oil, gas and associated hydrocarbons from the Niobrara, Fort Hays, Carlile, and Codell Formations.
- 7. 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 approve 300-foot reduced setbacks for the boundaries of the approximate 1,280-acre drilling and spacing unit for the production, development and operation of oil, gas and associated hydrocarbons from the Niobrara, Fort Hays, Codell and Carlile Formations.
- 8. The above-proposed reduced setbacks 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.
- 9. The undersigned certifies that copies of this Application will be served on each interested party, as required by Rule 507.a.(1).

WHEREFORE, Applicant respectfully requests that this matter be set for hearing on April 29 - 30, 2019, that notice be given as required by law, and that upon such hearing this Commission enter its order to:

A. Approve reduced productive interval setbacks of not less than 300' from the boundaries of an approximate 1,280-acre drilling and spacing unit established for Sections 28 and 33, Township 8 North, Range 60 West, 6th P.M.

- B. Find that the reduced setbacks on the unit boundaries of the approximate 1,280-acre drilling and spacing unit for the development of the Niobrara, Fort Hays, Codell and Carlile Formations on 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 on the Application Lands.
- C. For such other findings and orders as the Commission may deem proper or advisable in this matter.

DATED January 29, 2019.

Respectfully submitted:

MALLARD EXPLORATION, LLC

By:

Jamie L. Jost

Kelsey H. Wasylenky Jost Energy Law, P.C.

555 17th Street, Suite 975

Denver, Colorado 80202

(720) 446-5620

Applicant's Address:

Mallard Exploration, LLC ATTN: Michael Sobecki

1400 16th Street, Suite 300

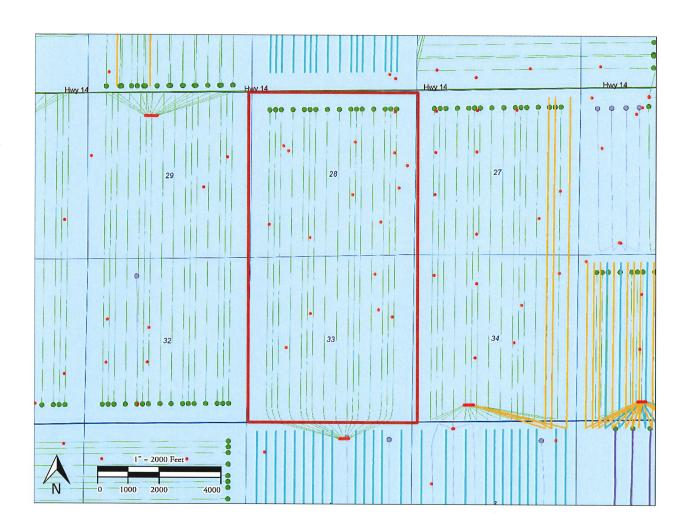
Denver, CO 80202

VERIFICATION

STATE OF COLORADO)
CITY AND COUNTY OF DENVER) ss.)
that he is a Senior Landman for Mallard Ex	ing first duly sworn upon oath, deposes and says oploration, LLC and that he has read the foregoing contained are true to the best of his knowledge,
	Michael Sobecki Senior Landman Mallard Exploration
Subscribed and sworn to before me this $\frac{Q}{Q}$	day of January, 2019.
Witness my hand and official seal.	CRISTINA CARRASCO NOTARY PUBLIC STATE OF COLORADO
[SEAL]	NOTARY ID 20184007123 MY COMMISSION EXPIRES FEBRUARY 13, 2022
My commission expires: 2/13/22	
Notary Public	

Reference Map

Sections 28 and 33, Township 8 North, Range 60 West, 6th P.M.



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CAUSE NO. 535

DOCKET NO. 190400284

TYPE: EXCEPTION LOCATION

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 25th day of March 2019.

Sydney Nelson

Exhibit A Mallard - Sec 28 & 33 All-8N-60W

Oil India (USA) Inc. 333 Clay St., Suite 3300 Houston, TX 77002

IOCL (USA) Inc. 333 Clay St., Suite 3300 Houston, TX 77002

Haimo Oil & Gas, LLC 2901 Wilcrest Dr., Suite 285 Houston, TX 77042

Verdad Resources, LLC 5950 Cedar Springs Rd, Ste 200 Dallas, TX 75235

Oil India (USA) Inc. 101 Southwestern Blvd, Ste 136 Sugar Land, TX 77478

TAK Mountain, LLC 1600 Broadway Suite 1525 Denver, CO 80202

Red Hawk Petroleum, LLC 4125 Blackhawk Plaza Circle Ste 201A Danville, CA 94506

RJ Resources Corp. 152 West 57th Street, 4th Floor New York, NY 10019

Mile Hi Oil & Gas, Inc. P.O. Box 27296 Denver, CO 80227

Foundation Energy Fund IV-B Holding, LLC 16000 Dallas PKWY, Ste 875 Dallas, TX 75248-6643

Foundation Energy Fund III-A, LP 16000 Dallas PKWY, Ste 875 Dallas. TX 75248-6643

Foundation Energy Fund III-B Holding, LLC 16000 Dallas PKWY, Ste 875 Dallas, TX 75248-6643

Foundation Energy Fund IV-A, LP 16000 Dallas PKWY, Ste 875 Dallas, TX 75248-6643

Foundation Energy Fund III-B, LP 16000 Dallas PKWY, Ste 875 Dallas, TX 75248-6643

DPOC, LLC 1400 16th Street, Ste 300 Denver, CO 80202

Myron and Kathleen L. Showers 49294 WCR 86 Briggsdale, CO 80611

BLM 2850 Youngfield St. Lakewood, CO 80215

Noble Energy, Inc. 1625 Broadway, Ste 2200 Denver, CO 80202

Bison Oil & Gas II, LLC 518 17th St., Ste 1800 Denver, CO 80202

Proved Reserves, LLC 5950 Cedar Springs Rd., Ste 200 Dallas, TX 75235

Noble Energy WyCo, LLC 1625 Broadway, Ste 2200 Denver, CO 80202

Theodore and Therese M. Doty 9105 Gaucho Lane El Cajon, CA 92021

Acoma Energy, LLC 4100 E. Mississippi Ave., Suite 400 Denver, CO 80246 Mountain States Minerals 1550 Larimer Street #313 Denver, CO 80202

Stone Hill Minerals Holdings, LLC 1320 S. University Dr., Ste 500 Fort Worth, TX 76107

The Williams Home 1201 Langhorne Road Lynchburg, VA 24503

Beauleo Minerals, LLC 5 Brighton Way Farmington, CT 06032

Topwater Resources, LLC 4747 Research Forest Dr. Suite 180-315 The Woodlands, TX 77381

Foundation Energy Management, LLC 16000 N. Dallas Parkway, Suite 875 Dallas, TX 75248

AK Resources LLC PO Box 6975 Denver, CO 80206

Family Tree Corporation PO Box 260498 Lakewood, CO 80226

Marge Doty 190 NE Juniper Ct. Cedaredge, CO 81413

Amy Horn 4405 S. Butternut Ave. Broken Arrow, OK 74011

Theodore M. Doty 9241 Bloomdale St. Santee, CA 92071

Vincent Yohe PO Box 115 Sun River, MT 59483 Virginia L. Hammond 991 Mistflower Lane Florence, KY 41042

Carrizo Niobrara LLC 500 Dallas St., Ste 2300 Houston, TX 77002

James E. Clinton, III 6862 Fashion Hills Blvd. San Diego, CA 92111

Diversified Operating Corporation 15000 West 6th Ave. #102 Golden, CO 80401

Dawn Denzer 14800 E. Belleview Dr. Aurora, CO 80015

Vincent J. Duncan 66 Inverness Drive East Englewood, CO 80112-5114

T-Bar Oil & Gas, LTD 427 Red Lady Ave Ste A Crested Butte, CO 81224

Gene Louise Grant 535 Gramercy Dr. Cheyenne, WY 82009

Duncan Energy Properties I, LLC 66 Inverness Drive East Englewood, CO 80112-5114

Kimball County Manor 810 East 7th St. Kimball, NE 69145

James M. Cromie 1007 S. Bonham St. Amarillo, TX 79102

Scott W. Cromie 1001 Stony Point Woodway, TX 76712

Nichelle Marie Poff PO Box 832 Lakeport, CA 95453 Michael J. Poff 5653 Single Springs Rd. Kelseyville, CA 95451

Terry W. Poff 474 Fairview Way Lakeport, CA 95453

Susan M. Rinker 675 Stardust CT Lakeport, CA 95453

Ruth A. Poff 76-6345 Kololia St. Kona, HI 96740

Lynda L. Lent 955 Central Park Ave. Lakeport, CA 95453

Mary E. Cantrell 1626 Martin Lakeport, CA 95453

Shriners Hospitals for Children 2900 Rocky Point Dr. Tampa, FL 33607

Nebraska Mason Home Foundation 1300 Ave. D. Plattsmouth, NE 68048

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