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

IN THE MATTER OF AN APPLICATION BY HIGHPOINT OPERATING CORPORATION FOR AN ORDER TO ESTABLISH AN APPROXIMATE 1,280-ACRE DRILLING AND SPACING UNIT FOR SECTIONS 9 AND 10, TOWNSHIP 4 NORTH, RANGE 61 WEST, 6TH P.M., AND TO APPROVE UP TO EIGHT (8) HORIZONTAL WELLS IN THE 1,280-ACRE FOR THE NIOBRARA FORMATION, WATTENBERG FIELD, WELD COUNTY, COLORADO

CAUSE NO. 407

DOCKET NO. 190400

TYPE: SPACING

APPLICATION

COMES NOW HighPoint Operating Corporation (Operator No. 10071) ("Applicant"), by its attorneys, Jost Energy Law, P.C., and submits this application to the Oil and Gas Conservation Commission of the State of Colorado (the "Commission") for an order to: (1) vacate an approximate 640-acre drilling and spacing unit established by Order Nos. 535-4 and 407-779 for Section 10, Township 4 North, Range 61 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Niobrara Formation; (2) vacate an approximate 1280-acre drilling and spacing unit established by Order No. 407-1215 for Sections 9 and 16, Township 4 North, Range 61 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Niobrara Formation; (3) establish an approximate 1,280-acre drilling and spacing unit for Sections 9 and 10, Township 4 North, Range 61 West, 6th P.M., and 4) approve the drilling of up to eight (8) horizontal wells within the proposed unit, for the efficient and economic production of oil, gas, and associated hydrocarbons from the Niobrara Formation. In support of its Application, Applicant states and alleges as follows:

- 1. HighPoint is a corporation duly authorized to conduct business in the State of Colorado and has registered as an operator with the Commission.
- 2. Applicant is an Owner and/or Operator, as defined by the Colorado Oil & Gas Conservation Act, C.R.S. § 34-60-101, *et seq*, and the 100 Series Commission Rules, and own certain leasehold interests or the right to operate leasehold interests in the Application Lands:

Township 4 North, Range 61 West, 6th P.M.

Section 9: All Section 10: 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. The Application Lands are subject to this Rule for the Niobrara and Codell Formations.
- 4. On February 22, 2011 (Corrected April 4, 2013), the Commission entered Order Nos. 407-779 and 535-4 which, among other things, established 74 approximate 640-acre drilling and spacing units, and approved one horizontal well within each unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation. Section 10, Township 4 North, Range 61 West, 6th P.M. is subject to this Order for the Niobrara Formation.
- 5. On June 17, 2014, the Commission entered Order No. 407-1215 which, among other things, established an approximate 1280-acre drilling and spacing unit for Sections 9 and 16, Township 4 North, Range 61 West, 6th P.M., and approved up to 16 horizontal wells within the unit, for the production of oil, gas, and associated hydrocarbons from the Niobrara Formation.
- 6. The records of the Commission indicate that there are no horizontal or vertical wells producing in the Application Lands.
- 7. To promote efficient drainage within the Niobrara Formation of the Application Lands, to protect correlative rights and to avoid waste, the Commission should: 1) vacate an approximate 640-acre drilling and spacing unit established by Order Nos. 535-4 and 407-779 for Section 10, Township 4 North, Range 61 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Niobrara Formation; 2) vacate an approximate 1280-acre drilling and spacing unit established by Order No. 407-1215 for Sections 9 and 16, Township 4 North, Range 61 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Niobrara Formation, and 3) establish an approximate 1,280-acre drilling and spacing unit for the Application Lands, with the productive interval of any horizontal well to be no closer than 250 feet from the northern and southern boundaries of the unit, and no closer than 200 feet from the eastern and western boundaries of the unit, and not less than 150 feet from the productive interval of another well within the unit, for the efficient and economic development and operation of the Niobrara Formation.
- 8. The above-proposed drilling and spacing unit will allow efficient drainage of the Niobrara Formation; 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 wells in the unit.
- 9. Applicant agrees that there will be no more than four (4) new well pads within the unit, or adjacent thereto, unless an exception is granted by the Director.

- 10. The productive interval of each proposed horizontal well shall be no closer than 250 feet from the northern and southern boundaries of the unit, and 200 feet from the eastern and western boundaries of the unit, and all horizontal wells shall be no closer than 150 feet from the productive interval of another well producing from the same supply within the unit, unless an exception is granted by the Director.
- 11. Applicant is requesting to drill and complete up to eight (8) horizontal wells in the proposed approximate 1,280-acre drilling and spacing unit for the efficient and economic development of oil, gas and associated hydrocarbons from the Niobrara Formation underlying the Application Lands.
- 12. The undersigned certifies that copies of this Application will be served on each interested party as required by Rule 507.a.

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

- A. Vacate an approximate 640-acre drilling and spacing unit established by Order Nos. 535-4 and 407-779 for Section 10, Township 4 North, Range 61 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Niobrara Formation;
- B. Vacate an approximate 1280-acre drilling and spacing unit established by Order No. 407-1215 for Sections 9 and 16, Township 4 North, Range 61 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Niobrara Formation:
- C. Establish an approximate 1,280-acre drilling and spacing unit for Sections 9 and 10, Township 4 North, Range 61 West, 6th P.M., and approve the drilling of up to eight (8) horizontal wells within the proposed unit, for the production of oil, gas, and associated hydrocarbons from the Niobrara Formation;
- D. Provide that the productive interval of any horizontal well shall be no closer than 250 feet from the northern and southern boundaries of the unit, and 200 feet from the eastern and western boundaries of the unit, and not less than 150 feet from the productive interval of another well within the unit, and authorizing up to four (4) new well pads within the unit, or adjacent thereto, unless an exception is granted by the Director;
- E. Find that the approximate 1,280-acre drilling and spacing unit for the development of oil, gas, and associated hydrocarbons from the Niobrara Formation underlying the Application Lands will prevent waste, protect correlative rights, and maximize the efficient and economic production of the Niobrara Formation in the Application Lands; and
- F. For such other findings and orders as the Commission may deem proper or advisable in this matter.

DATED this 29 day of January, 2019.

Respectfully submitted:

HIGHPOINT OPERATING CORPORATION

Fariel Fost

Ву:

Jamie L. Jost Kelsey H. Wasylenky Jost Energy Law, P.C. Attorneys for Applicant 555 17th Street, Suite 975 Denver, Colorado 80202 (720) 446-5620

Applicant's Address:
HighPoint Operating Corporation
ATTN: Bryce Doty
1099 18th Street, Suite 2300
Denver, CO 80202

VERIFICATION

upon oath, deposes and says that and that he has read the foregoing true to the best of his knowledge,

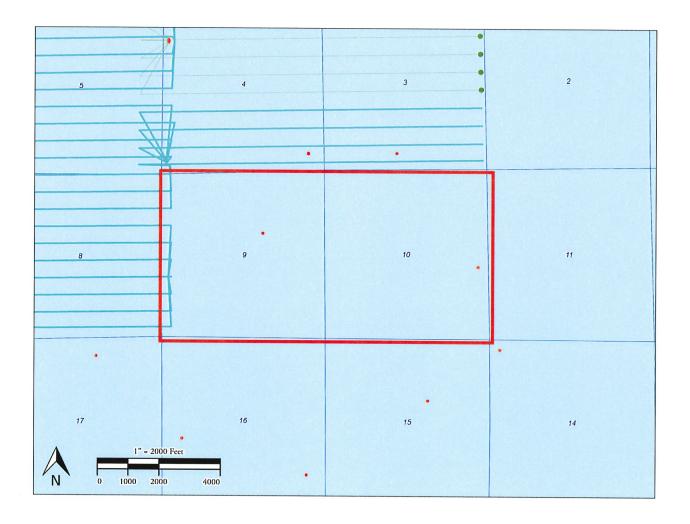
STATE OF COLORADO)
CITY AND COUNTY OF DENVER) ss. :
he is a Landman for HighPoint Op Application and that the matters the information and belief.	
	riigiii ciiit operatiiig corporation
Subscribed and sworn to before me	e this <u>2</u> day of January, 2019.
Witness my hand and official seal.	
[SEAL]	
My commission expires: 10 /u /or	019
Notary Public	
LESLIE MANN NOTARY PUBLIC STATE OF COLORADO NOTARY ID # 201140645	05 IA

REFERENCE MAP FOR SPACING APPLICATION

Township 4 North, Range 61 West, 6th P.M.

Section 9: All Section 10: All

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



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

IN THE MATTER OF AN APPLICATION BY CAUSE NO. 407 HIGHPOINT OPERATING CORPORATION FOR AN ORDER TO ESTABLISH AN APPROXIMATE DOCKET NO. 190400301 1,280-ACRE DRILLING AND SPACING UNIT FOR SECTIONS 9 AND 10, TOWNSHIP 4 NORTH, TYPE: SPACING RANGE 61 WEST, 6TH P.M., AND TO APPROVE UP TO EIGHT (8) HORIZONTAL WELLS IN THE 1,280-ACRE FOR THE NIOBRARA FORMATION. WATTENBERG FIELD. 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 25th day of March 2019.

Sydney Nelson

Exhibit A HighPoint SP - 4N-61W- Sec 9-10

HighPoint Operating Corporation 1099 18th Street, Suite 2300 Denver, CO 80202

Anschutz Exploration Corporation 555 17th Street, Suite 2400 Denver, CO 80202

Sublette, Inc. 15205 W 32nd Ave Golden, CO 80401

John F. Wilson, Trustee of the John F. Wilson Family Trust dated April 11, 1991
12393 Conquistador Way
San Diego, CA 92128

Heirs and Devisees of the Estate of Otto Unfug 401 Delmar St. Sterling, CO 80751

D. Birch Unfug 2901 Virginia Dale Ft. Collins. CO 80521

Charles S. Unfug 2214 Fairway Ln. Greeley, CO 80634

Robert V. Unfug 701 Gregory Rd. Ft. Collins, CO 80524

Heirs and Devisees of the Estate of Leonard Johnson 15417 Weld CR #49 LaSalle, CO 80645

Addie L. Tieman

205 East Sixth Avenue Ft. Morgan, CO 80701

Leo Chance 119 E RIO GRANDE ST COLORADO SPRINGS CO 80903

Robert Neil Wilkinson 1665 Bluebell Avenue Boulder, CO 80302

JLW Investments, L.L.C. 351 Glencoe ST. Denver, CO 80220

Kay E. Burford 2001 Holcombe Blvd., Unit 1905 Houston, TX 77030

Mike's Oil Well 108 Maverick Lane Palmer, TX 75152

The John D. Stephenson Family Trust 1575 Ocean Shore Blvd., #602 Ormond Beach, FL 32176

Theron J. Cutler 215 Meeker St. Fort Morgan, CO 80701

Heirs and Devisees of the Estate of Francis S. Jolliffe 508 Grant St. Fort Morgan, CO 80701

Michael E. Brady 910 Simpson St. Fort Morgan, CO 80701

Deborah Brady, as Personal Representative of the Estate of James E. Brady 229 1st St., Unit A Windsor, CO 80550

Jeffrey L. Brady 910 Simpson St. Fort Morgan, CO 80701

JRH Energy, LLC 6939 Coronado Ave. Dallas, TX 75214

United States of America Bureau of Land Management 2850 Youngfield Street Lakewood, CO 80215

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

Verdad Resources, LLC 5950 Cedar Springs Road, Suite 200 Fort Worth, TX 75235-6803

Anschutz Family Investment Company, LLC 555 17th Street, Suite 2400 Denver, CO 80202

CoBank, FCB 245 N. Waco St. Wichita, KS 67202

Larry Culpepper 17163 Berry Ave. Centennial, CO 80015

Wade Culpepper aka Russell W. Culpepper P.O. Box 25506 Colorado Springs, CO 80936 Pamela Pearson fka Pamela Culpepper Graves 4600 Azie Hwy Weatherford, TX 76086

William W. Culpepper, Jr. 12953 S. Greenwood Street Olathe, KS 66062

Carolyn Louise Koch 6955 Quicksilver Drive Colorado Springs, CO 80922

Kathryn Marie Ford 10917 West 103rd Place Westminister, CO 80021

Patricia C. Shannon 7369 S. Tempe Circle Centennial, CO 80016

Mona J. Brooks 8026 West County Rd. 24H Loveland, CO 80538

Kevin P. Shannon 8134 Lockport Drive Colorado Springs, CO 80920

Michael A. Shannon 8134 Lockport Drive Colorado Springs, CO 80920

Mekusukey Oil Company, LLC P.O. Box 816 Wewoka, OK 74884-0816

Silo Oil and Gas Corporation 1580 Lincoln Street, Suite 1110 Denver, CO 80203

Garrett Resources LLC 10262 Sedgegrass Way Highlands Ranch, CO 80129 Massey Draw Minerals LLC 20 Lindenwood Lane Littleton, CO 80127

Baxter Lake LLC

11757 W. Ken Caryl Avenue, Suite F-506 Littleton, CO 80127

Scott Investments LLC 1580 Lincoln Street, Suite 1110 Denver, CO 80203

Wapiti Properties LLC 1580 Lincoln Street, Suite 1110 Denver, CO 80203

Only Love LLC 1200 Galapagos Street Apt. 313 Denver, CO 80204

Odin Capital LLC 3815 South Gray Street Denver, CO 80235

HERV Oil, LLC 3131 McKinney Ave., Ste 600 Dallas, TX 75204

ESENJAY Oil and Gas, LTD. 500 North Water Street, Suite 1100 South Corpus Christi, TX 78401

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