



02297389

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

RECEIVED

DEC 30 2010

COGCC

IN THE MATTER OF THE APPLICATION OF)
PETROLEUM DEVELOPMENT CORPORATION)
FOR AN ORDER POOLING ALL)
NONCONSENTING INTERESTS IN THE)
CODELL-NIOBRARA FORMATIONS IN)
DESIGNATED WELLBORE SPACING UNITS)
LOCATED IN THE WATTENBERG FIELD, WELD)
COUNTY, COLORADO)

Cause No. 407

Docket No. 1101-UP-06

REQUEST FOR RECOMMENDATION OF
APPROVAL OF APPLICATION WITHOUT A HEARING

Petroleum Development Corporation, d/b/a PDC Energy ("PDC") by and through its undersigned attorneys, hereby requests pursuant to Rule 511a of the Rules and Regulations of the Colorado Oil and Gas Conservation Commission ("COGCC") for the Director to recommend approval of the verified Application and the supporting exhibits without a hearing.

PDC requests that the captioned matter be so approved based upon the merits of the Application and exhibits to be submitted since it is a standard and routine compulsory pooling application, as fully explained in the Application. Offers to participate, including authority for expenditures were sent to OMX Corporation, the only non-consenting owner for the Reichert 29 PDU and Reichert 29 SDU wells. The interests to be pooled are minority working interests in each unit, and as of December 30, 2010, no protests have been filed.

On or before close of business on December 31, 2010, PDC will provide sworn written testimony verifying sufficient facts along with exhibits that adequately support the relief requested in the Application for a Commission Order.

In the event that this request is denied, PDC requests that the administrative hearing for this matter occur at a convenient time prior to the COGCC hearing on January 13 and 14, 2011.

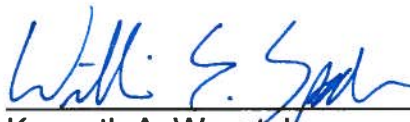
WHEREFORE, PDC requests that its request for a recommendation for approval of its Application without a hearing be granted.

DATED this 30th day of December, 2010.

Respectfully submitted,

PETROLEUM DEVELOPMENT CORP.

By:


Kenneth A. Wonstolen
William E. Sparks
BEATTY & WOZNIAK, P.C.
216 16th Street, Suite 1100
Denver, CO 80202
(303) 407-4499

EXHIBIT(s)
FOR
ORDER NO(s).

407 - 385

~~____ - ____~~
~~____ - ____~~
~~____ - ____~~

PETROLEUM DEVELOPMENT CORPORATION

RECEIVED

DEC 30 2010

COGCC

Cause No. 407
Docket No. 1101-UP-06

Land Testimony

Carrie Eggleston

Wattenberg Field
Docket No. 1101-UP-06
Cause No. 407
Pooling Application

Reichert 29 PDU (Well Spacing Unit No. 1)
Township 4 North, Range 67 West, 6th P.M.
Section 29: E/2SW/4 and W/2SE/4

Reichert 29 SDU (Well Spacing Unit No. 2)
Township 4 North, Range 67 West, 6th P.M.
Section 29: S/2NE/4 and N/2SE/4
Weld County, Colorado

Codell and Niobrara Formations

January 13 and 14, 2011 Colorado Oil and Gas Conservation Commission Hearing

My name is Carrie Eggleston and I am currently employed as the Landman of Petroleum Development Corporation, d/b/a PDC Energy ("PDC"). I have over eight (8) years experience as a landman and have been with PDC and its predecessors since 2001 working directly with the properties that are the subject of today hearing.

In support of our application today, three (3) exhibits have been prepared under my supervision. The exhibits are attached to my sworn testimony and form the basis for our Application to obtain an order to pool all interests and involuntarily pool certain non-consenting interests in the following wells in Weld County, Colorado:

A. The **Reichert 29 PDU Well** with a bottomhole location of 1,318 feet FSL and 2,443 feet FEL located in the SW/4SE/4 in the established 160 acre drilling and spacing unit consisting of the E/2SW/4 and W/2SE/4 of Section 29 Township 4 North, Range 67 West, 6th P.M., in the Codell and Niobrara Formations;

B. The **Reichert 29 SDU Well** with a bottomhole location of 2,531 feet FSL and 1,240 feet FEL located in the NE/4SE/4 in the established drilling and spacing unit consisting of the S/2NE/4 and N/2SE/4 of Section 29, Township 4 North, Range 67 West, 6th P.M., in the Codell and Niobrara Formations;

1. Exhibit No. 1, Maps.

Exhibit No. 1 contains maps showing the well locations and bottomhole locations within the SE/4 of Section 29 in Township 4 North, Range 67 West, 6th P.M., Weld County, Colorado. The map headings show the drilling and spacing unit information for each well.

2. Exhibit No. 2

Exhibit No. 2 is a list of all working interest owners in these drilling and spacing units.

3. Exhibit No. 3

Exhibit No. 3 are letters attaching the Authority for Expenditure (AFE) sent to OMX Corporation (OMX) by PDC pursuant to Rule 318A.e.(6). The letters were sent to OMX on May 21, 2010.

This letter advised OMX of its right to participate in the proposed operations within the subject spacing unit. All working interest owners listed on Exhibit No. 2 received a letter similar to the form attached more than thirty (30) days prior to the date of the Commission hearing.

Attached to each letter was the AFE which is a fair and reasonable estimate of the costs of the proposed drilling operation.

Despite diligent efforts, PDC was unable to locate OMX. Based upon our examination of relevant contracts and records, and under my direction and control, all of the other working interest owners listed on Exhibit 2 attached to our Application have received notice of this Application. Moreover, the consenting owners were also provided a copy of the Application and their names are also listed on such exhibit. We have not received any notice of objection or protest to this Application.

In accordance with the provisions of Rule 530 of the Rules and Regulations of the Colorado Oil & Gas Conservation Commission, at least 30 days as elapsed since the written notice has been provided to the interested parties. All the matters itemized in Rule 530 have been provided to the interest owners.

The matters described herein were all conducted under my direction and control. To the best of my knowledge and belief, all of the matters set forth herein, my testimony and in the exhibits are true, correct and accurate.

The matters described herein were all conducted under my direction and control. To the best of my knowledge and belief, all of the matters set forth herein, my testimony and in the exhibits are true, correct and accurate.

Dated this 20th day of December, 2010.

Carrie Eggleston

Landman

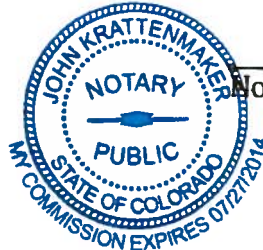
Petroleum Development Corporation

STATE OF COLORADO)
) ss.
COUNTY OF DENVER)

The foregoing instrument was acknowledged before me this 20th day of DECEMBER, 2010, by Carrie Eggleston.

Witness my hand and official seal.

My commission expires: JULY 27, 2014



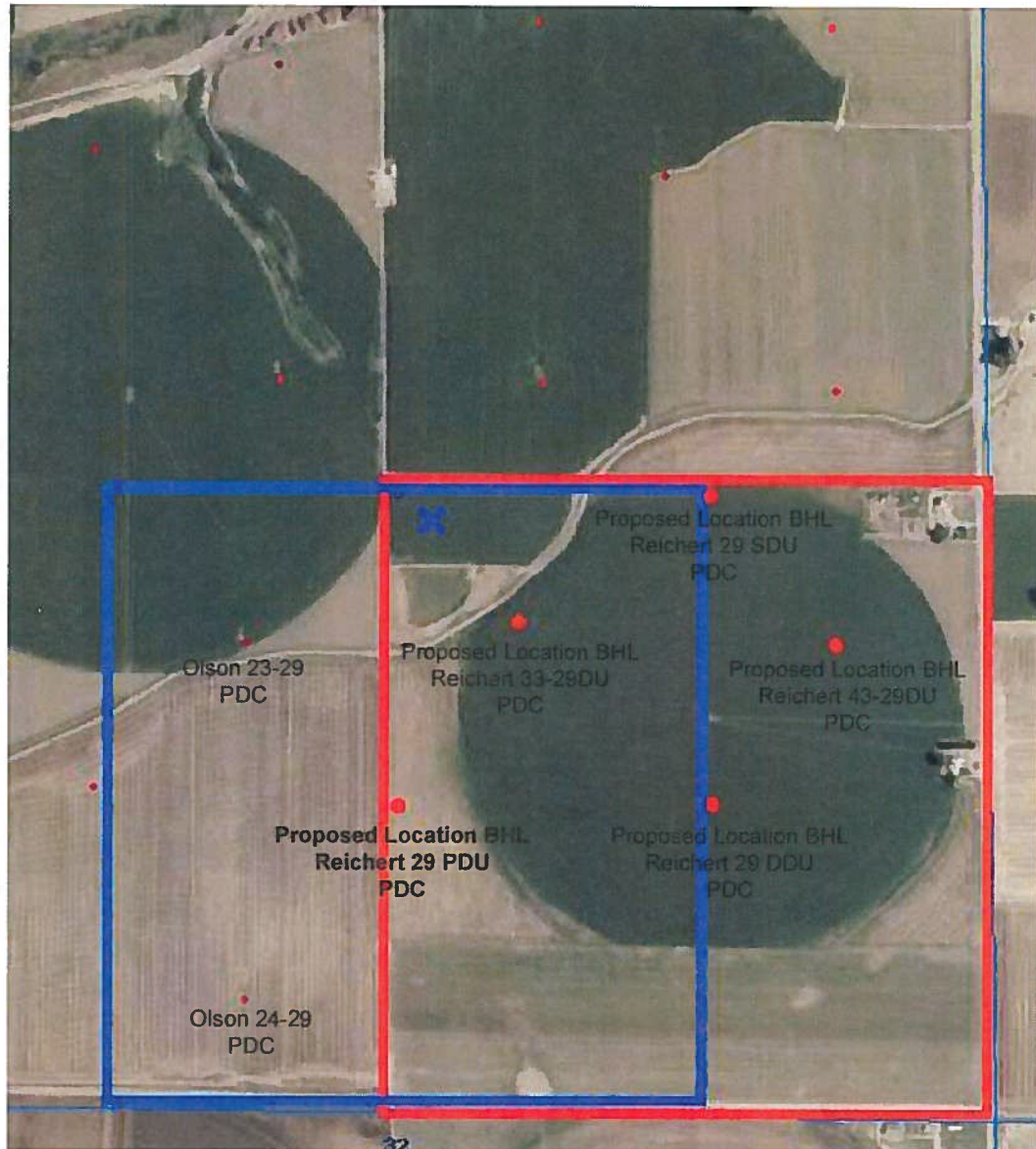
Notary Public

A handwritten signature in blue ink, appearing to read "John Krattenmaker", written over a horizontal line.

EXHIBIT 1

Reichert 29 PDU

SWSE Sec. 29 T4N-R67W



Legend



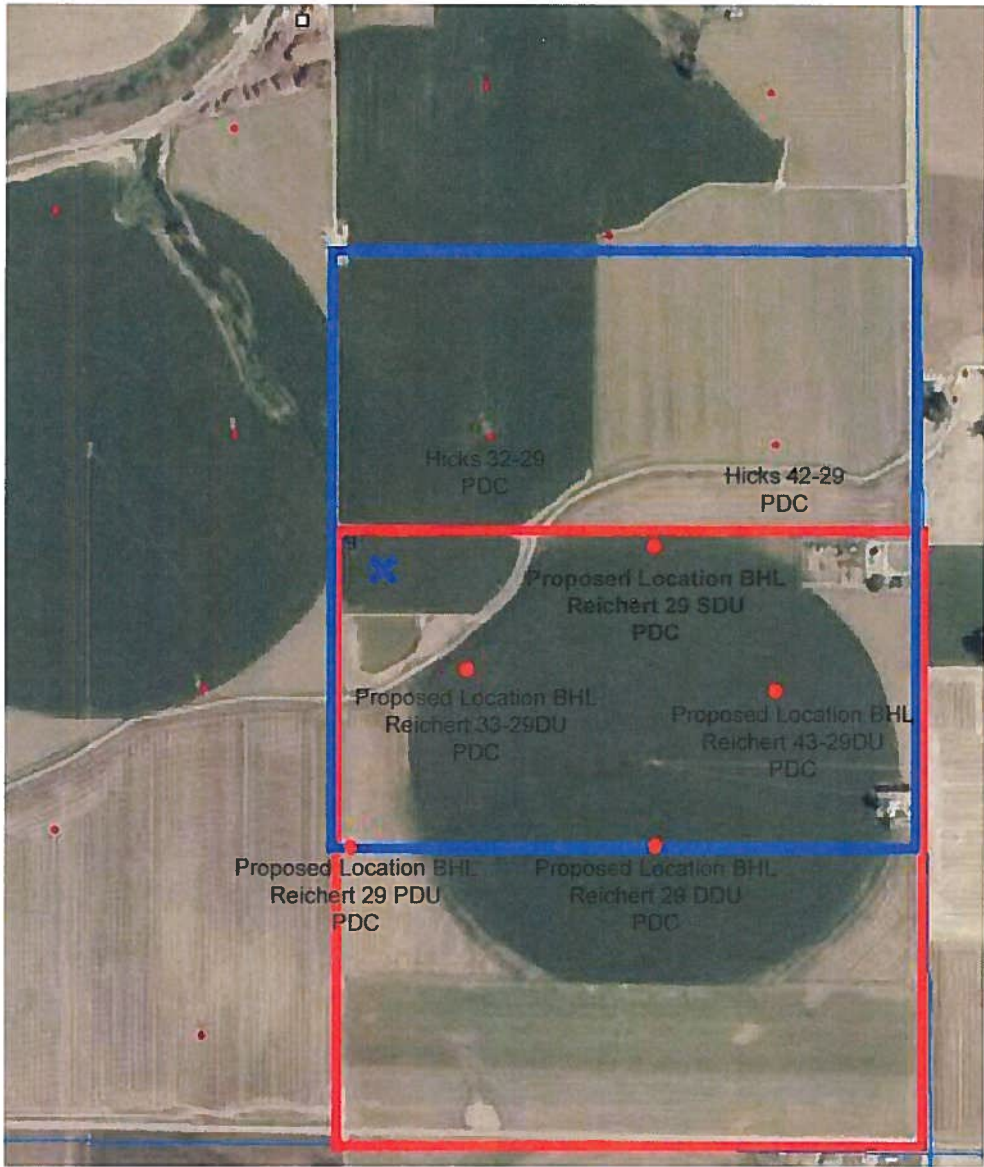
SE/4 Sec. 29, T4N, R67W



Proposed 160 acre Spacing Unit

The SE $\frac{1}{4}$ Section 29 will have 5 bottom hole wells producing From the Codell, Niobrara, & J Sand Formations.

Reichert 29 SDU
NESE Sec. 29 T4N-R67W



Legend



SE/4 Sec. 29, T4N, R67W



Proposed 160 acre Spacing Unit

The SE¼ Section 29 will have 5 bottom hole wells producing From the Codell, Niobrara, & J Sand Formations.

EXHIBIT 2
Interested Parties

Noble Energy, Inc.
1625 Broadway, Suite 2000
Denver, CO 80202

OMX Corporation
1419 41st Street
Greely, Colorado 80636
(last known address)

EXHIBIT 3



Petroleum Development Corporation

May 21, 2010

VIA USPS CERTIFIED MAIL
(Tracking Number 7009 3410 0000 3278 0936)

OMX Corporation
1419 – 41st Avenue
Greeley, Colorado 80634

Re: Reichert 29PDU
New Drill Proposal
Township 4 North, Range 67 West, 6th P.M.
Section 29: Center of the S/2
Weld County, Colorado

Dear Working Interest Partner:

Unioil, a wholly owned subsidiary of Petroleum Development Corporation ("PDC"), hereby proposes the drilling and operating of the above-mentioned well to a total depth of 7,600' to test the Codell/Niobrara formations.

Additional information for this well:

- (1) Wellbore Spacing Unit
The wellbore spacing unit will be comprised of the E/2SW/4 and the W/2SE/4 of Section 29 of T4N-R67W.
- (2) Target Formations
This well will be drilled to a total depth to sufficiently test the Codell/Niobrara formations.
- (4) Anticipated Spud Date
June 27, 2010
- (5) Authority For Expenditure (AFE):
Attached for your review and approval are two (2) copies of an AFE for this proposal. The costs set out in the AFE are estimates. The actual costs may be higher or lower. Your approval of the AFE constitutes your approval of the actual costs of the operation.

CORPORATE OFFICE:
Petroleum Development Corporation
1775 Sherman Street, Suite 3000
Denver, CO 80203
303-860-5800

BRIDGEPORT OFFICE:
Petroleum Development Corporation
120 Genesis Boulevard • P. O. Box 26
Bridgeport, WV 26330
304-842-3597

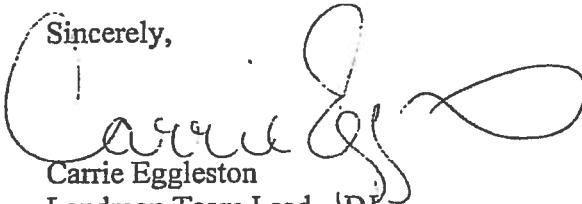
(7) **Operating Agreement (JOA and Declaration of Pooling Agreement:**

A JOA and Declaration of Pooling Agreement are still being prepared and will be sent under a separate cover letter.

If you desire to participate in this proposed operation, please execute and return a complete copy of this letter along with one fully executed AFE. Failure to respond to this proposal within thirty (30) days of receipt of this correspondence as set forth in the proposed JOA will be deemed as a Non-Consent election and will be subject to the applicable penalties set forth therein of the proposed JOA.

If you should have any questions or need additional information, please do not hesitate to give us a call.

Sincerely,



Carrie Eggleston
Landman Team Lead ~DJ

Enclosures

☐ I elect to **CONSENT** to the proposed operation for the REICHERT 29PDU well on this _____ day of _____, 2010.

OMX CORPORATION

By: _____

Printed Name: _____

Title: _____

☐ I elect to go **NON-CONSENT** to the proposed operation for the REICHERT 29PDU well subject to the terms of the JOA on this _____ day of _____, 2010.

OMX CORPORATION

By: _____

Printed Name: _____

Title: _____



Property/Well Name 090000/Raichert #29PD U
PDC AFE DR000859
Legal NWSE 29-4N-67W
County Weld
State CO
Depth 7,800'
Operator Petroleum Development Corp

		Drilling	Completion	Total
		0100 IDC	0200 ICC	
Acidizing & Fracturing	109		145,000	145,000
Air/Marine Transportation	101	0	0	0
Bits & Reamers	105	0	0	0
Cased Hole Logging & Perforating	110	0	8,000	8,000
Casing Running Tools & Services	111	0	0	0
Cement & Cement Services	112	800	10,000	10,800
Cement & Cement Services - Squeeze	113	0	0	0
Company Labor and Services	114	0	0	0
Completion Fluids	115	0	5,700	5,700
Contract Labor & Services	116	0	35,000	35,000
Coring & Analysis	117	0	0	0
Daywork Contract Fee	120	0	2,200	2,200
Directional Equipment & Services	121	0	0	0
Drill Stem Test	122	0	0	0
Drilling Tool & Equipment Rental	123	0	0	0
Environmental, Health & Safety	124	1,000	2,700	3,700
Fencing	130	0	1,000	1,000
Fishing Tools & Services	131	0	0	0
Footage Contract Fee	132	133,845	0	133,845
Gas Sales Connection	135	0	10,000	10,000
Insurance	140	600	0	600
Mud & Chemicals	151	5,000	0	5,000
Mud Logging Equipment & Services	152	0	0	0
Open Hole Logging and Testing	160	5,400	0	5,400
Plugging & Abandonment - Dry Hole	165	0	0	0
Power & Fuel	166	1,100	0	1,100
Prospect Generation	167	6,300	0	6,300
Pump Truck Services	169	0	0	0
Rental Tools	170	0	4,000	4,000
Rig Mobilization & Demobilization	171	8,000	2,600	10,600
Rig Up/Down Equipment	172	0	0	0
Road and Site Preparation	173	10,000	0	10,000
Site Preparation & Clean Up	175	0	15,000	15,000
Solids Control Equipment Rental	176	20,800	0	20,800
Subsurface Casing Equipment	177	0	1,500	1,500
Supervision Company & Contract	178	2,250	0	2,250
Transportation - Company & Contract	186	0	1,600	1,600
Water	190	3,000	0	3,000
Wireline Services	191	0	0	0
Overhead	250	3,420	8,840	12,260
Miscellaneous Services & Contingency	190	535	1,132	1,667

		Drilling	Completion	Total
		0110 TDC	0210 TCC	
Artificial Lift Equipment	160		0	0
Casing - Production and/or Liner	115		60,800	60,800
Conductor Casing	116	0	0	0
Casing Spool Equipment	117	0	0	0
Surface Casing	118	10,000	0	10,000
Casinghead	119	800	0	800
Dehydrators and Dryers	125	0	0	0
Electrical Equipment	130	0	0	0
Emission Control Device	131	0	9,640	9,640
Fittings	135	0	9,300	9,300
Instrumentation Equipment	140	0	8,000	8,000
Intermediate Casing	141	0	0	0
Line Pipe	165	0	6,620	6,620
Metering Equipment	166	0	5,000	5,000
Perforators and Subsurface Equipment	170	0	0	0
Platforms and Structures	171	0	0	0
Production Tree	172	0	2,600	2,600
Pumps	173	0	0	0
Separating Equipment	180	0	10,650	10,650
Storage Tanks	181	0	6,210	6,210
Trailing Equipment	185	0	0	0
Tubing	186	0	25,500	25,500
Tubinghead Equipment	187	0	1,600	1,600

Intangible \$211,800 \$259,672 \$471,272
Tangible \$20,400 \$137,320 \$157,728
Total \$229,000

INTEREST OWNER

Petroleum Development Corporation

Noble Energy, Inc.

OMX Corporation

TOTAL

SIGNATURE FOR APPROVAL

By: 
Gary J. Reasor, Vice President Operations

Date: 5/21/2010 40.7080%

Date: 60.0000%

Printed Name:

Title:

By:

Date:

1.2344%

Printed Name:

Title:

100.00%

CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com

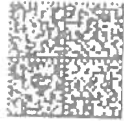
OFFICIAL USE

Postage	\$ 1.39	Postmark Here
Certified Fee	2.50	
Return Receipt Fee (Endorsement Required)	0.30	
Restricted Delivery Fee (Endorsement Required)		
Total Postage & Fees	\$ 4.49	


*Not Notice
Received
1-2-2004*

OMX Corporation
1419 - 41st Avenue
Greeley, CO 80634

See for Instructions



UNITED STATES POSTAGE
02 1P
\$ 006.4
0003900243 MAY 21 2
MAILED FROM ZIP CODE 8C

 Petroleum Development Corporation
1775 Sherman Street, Suite 3000
Denver, CO 80203

OMX Corporation
1419 - 41st Avenue
Greeley, CO 80634

NIXIE

3029 1 19 05/27/10

RETURN TO SENDER
NOT DELIVERABLE AS ADDRESSED
UNABLE TO FORWARD
RETURN TO SENDER



4008 64HE 0000 327A 0936

10255-02-M-1540 Domestic Return Receipt PS Form 3811, February 2004

2. Article Number (Transfer from service label)
7009 3410 0000 3278 0936

1. Article Addressed to:
OMX Corporation
1419 - 41st Avenue
Greeley, CO 80634

3. Service Type
☐ Registered Mail
☐ Certified Mail
☐ Express Mail
☐ Insured Mail
☐ C.O.D.
☐ Return Receipt for Merchandise
☐ Restricted Delivery (Extra Fee)

4. Signature X
A. Signature
B. Received by (Printed Name)
C. Date of Delivery
D. Is delivery address different from item 1? ☐ Yes ☐ No
If YES, enter delivery address below:

5. Complete Items 1, 2, and 3. Also complete Item 4 if Restricted Delivery is desired.
6. Attach this card to the back of the mailpiece, or on the front if space permits.

SENDER: COMPLETE THIS SECTION
COMPLETE THIS SECTION ON DELIVERY

EXHIBIT 3



Petroleum Development Corporation

May 21, 2010

VIA USPS CERTIFIED MAIL
(Tracking Number 7009 3410 0000 3278 0882)

OMX Corporation
1419 – 41st Avenue
Greeley, Colorado 80634

Re: Reichert 29SDU
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Section 29: Center of the E/2
Weld County, Colorado

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Additional information for this well:

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The wellbore spacing unit will be comprised of the S/2NE/4 and the N/2SE/4 of Section 29 of T4N-R67W.
- (2) **Target Formations**
This well will be drilled to a total depth to sufficiently test the Codell/Niobrara formations.
- (4) **Anticipated Spud Date**
June 12, 2010
- (5) **Authority For Expenditure (AFE):**
Attached for your review and approval are two (2) copies of an AFE for this proposal. The costs set out in the AFE are estimates. The actual costs may be higher or lower. Your approval of the AFE constitutes your approval of the actual costs of the operation.

CORPORATE OFFICE:
Petroleum Development Corporation
1775 Sherman Street, Suite 3000
Denver, CO 80203
303-860-5800


BRIDGEPORT OFFICE:
Petroleum Development Corporation
120 Genesis Boulevard • P. O. Box 26
Bridgeport, WV 26330
304-842-3597

- (7) **Operating Agreement (JOA and Declaration of Pooling Agreement):**
A JOA and Declaration of Pooling Agreement are still being prepared and will be sent under a separate cover letter.

If you desire to participate in this proposed operation, please execute and return a complete copy of this letter along with one fully executed AFE. Failure to respond to this proposal within thirty (30) days of receipt of this correspondence as set forth in the proposed JOA will be deemed as a Non-Consent election and will be subject to the applicable penalties set forth therein of the proposed JOA.

If you should have any questions or need additional information, please do not hesitate to give us a call.

Sincerely,


Carrie Eggleston
Landman Team Lead ~DJ

Enclosures

☐ I elect to **CONSENT** to the proposed operation for the REICHERT 29SDU well on this _____ day of _____, 2010.

OMX CORPORATION

By: _____

Printed Name: _____

Title: _____

☐ I elect to go **NON-CONSENT** to the proposed operation for the REICHERT 29SDU well subject to the terms of the JOA on this _____ day of _____, 2010.

OMX CORPORATION

By: _____

Printed Name: _____

Title: _____



Property/Well Name 090799/Relchert #29SD U
PDC AFE DR000858
Legal NWSE 29-4N-67W
County Weld
State CO
Depth 7,600'
Operator Petroleum Development Corp

		Drilling 8100 ICC	Completion 8200 ICC	Total
Acidizing & Fracturing	100		145,000	145,000
Air/Marine Transportation	101	0	0	0
Bits & Reamers	105	0	0	0
Cased Hole Logging & Perforating	110		0,600	0,600
Casing Running Tools & Services	111	0		0
Cement & Cement Services	112	800	10,000	10,800
Cement & Cement Services - Squeeze	113		0	0
Company Labor and Services	114	0	0	0
Completion Fluids	115		5,700	5,700
Contract Labor & Services	116	0	35,000	35,000
Coring & Analysis	117	0		0
Daywork Contract Fee	120	0	2,700	2,700
Directional Equipment & Services	121			0
Drill Stem Test	122	0		0
Drilling Tool & Equipment Rental	123	0		0
Environmental, Health & Safety	124	1,000	2,700	3,700
Fencing	130		1,000	1,000
Fishing Tools & Services	131	0		0
Footage Contract Fee	132	133,845		133,845
Gas Sales Connection	135		10,000	10,000
Insurance	140	650	0	650
Mud & Chemicals	151	5,000		5,000
Mud Logging Equipment & Services	152	0		0
Open Hole Logging and Testing	160	5,400		5,400
Plugging & Abandonment - Dry Hole	165	0	0	0
Power & Fuel	186	1,100		1,100
Prospect Generation	157	0,300		0,300
Pump Truck Services	159		0	0
Rental Tools	170		4,000	4,000
Rig Mobilization & Demobilization	171	9,500	2,500	12,000
Rig Up/Down Equipment	172	0		0
Road and Site Preparation	173	10,000		10,000
Site Preparation & Clean Up	175		15,000	15,000
Solids Control Equipment Rental	176	20,000		20,000
Subsurface Casing Equipment	177	0	1,500	1,500
Supervision Company & Contract	178	2,250	0	2,250
Transportation - Company & Contract	185	0	1,500	1,500
Water	190	3,000		3,000
Wireline Services	191		0	0
Overhead	250	3,420	5,870	9,290
Miscellaneous Services & Contingency	150	535	727	1,262

		Drilling 8110 TDC	Completion 8210 TCC	Total
Artificial Lift Equipment	100		1,375	1,375
Casing - Production and/or Liner	115		56,600	56,600
Conductor Casing	116	0		0
Casing Spool Equipment	117	0		0
Surface Casing	118	19,000		19,000
Casinghead	119	800		800
Dehydrators and Dryers	125		0	0
Electrical Equipment	130		0	0
Emission Control Device	131		9,640	9,640
Fillings	135		0,300	0,300
Instrumentation Equipment	140		9,000	9,000
Intermediate Casing	141	0		0
Line Pipe	155		5,520	5,520
Measuring Equipment	160		5,000	5,000
Packers and Subsurface Equipment	170		0	0
Platforms and Structures	171		0	0
Production Tree	172		2,500	2,500
Pumps	173		0	0
Separating Equipment	180		10,550	10,550
Storage Tanks	181		5,210	5,210
Treating Equipment	185		0	0
Tubing	188		25,500	25,500
Tubinghead Equipment	187		1,500	1,500

Intangible	\$211,600	\$259,297	\$470,897
Tangible	\$20,400	\$138,703	\$159,103
Total			\$630,000

INTEREST OWNER

Petroleum Development Corporation By: Scott J. Reasoner, Vice President Operations Date: 5/1/2010 40.7886%
Noble Energy, Inc. By: _____ Date: _____ 60.0000%
OMX Corporation By: _____ Date: _____ 1.2344%
TOTAL Printed Name: _____ Title: _____ 100.00%

U.S. Postal Service TM	
CERTIFIED MAIL TM RECEIPT	
(Domestic Mail Only; No Insurance Coverage Provided)	
For delivery information visit our website at www.usps.com	
OFFICIAL USE	
Postage	\$ 1.39
Certified Fee	2.80
Return Receipt Fee (Endorsement Required)	2.30
Restricted Delivery Fee (Endorsement Required)	
Total	6.49
Postmark Here	
JUN 24 2004 JAN 24 2004	
Sent	OMX Corporation
Street or PO	1419 - 41 st Avenue
City	Greeley, CO 80634
PS Form 3800, July 2003	Instructions



7009 3410 0000 3278 0882



UNITED STATES POSTAGE
\$ 006.⁰⁰
02 1P
0003900243 MAY 21
MAILED FROM ZIP CODE 8

OMX Corporation
1419 - 41st Avenue
Greeley, CO 80634

1. Article Addressed to:

- ☐ Complete Items 1, 2, and 3. Also complete Item 4 if Restricted Delivery is desired.
- ☐ Print your name and address on the reverse so that we can return the card to you.
- ☐ Attach this card to the back of the mailpiece, or on the front if space permits.

SENDER: COMPLETE THIS SECTION

COMPLETE THIS SECTION ON DELIVERY

A. Signature

☒ Agent

☐ Addressee

X

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from Item 1? ☐ Yes ☐ No
If YES, enter delivery address below:

3. Service Type

☐ Certified Mail ☐ Registered Mail ☐ Return Receipt for Merchandise

☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes ☐ No

Petroleum Development Corporation
1775 Sherman Street, Suite 3000
Denver, CO 80203

OMX Corporation
1419 - 41st Avenue
Greeley, CO 80634

NIXIE

3029 1 19 05/27/10

RETURN TO SENDER
NOT DELIVERABLE AS ADDRESSEE
RETURN TO SENDER



PS Form 3811, February 2004

Domestic Return Receipt

7009 3410 0000 3278 0882

102596-02-M-1840