



02379232

5/25/17

APPLICATION / AMENDED APP(S)
& Supporting Docs

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

RECEIVED

MAY 25 2017

COGCC

IN THE MATTER OF AN APPLICATION BY LONGS PEAK RESOURCES, LLC FOR AN ORDER TO, AMONG OTHER THINGS, (1) AUTHORIZE TWO (2) ADDITIONAL HORIZONTAL WELLS, FOR A TOTAL OF SIX (6) HORIZONTAL WELLS FOR PRODUCTION FROM THE CODELL FORMATION, (2) ESTABLISH AN APPROXIMATE 1280-ACRE DRILLING AND SPACING UNIT AND AUTHORIZE UP TO SEVEN (7) WELLS FOR PRODUCTION FROM THE NIOBRARA FORMATION, AND (3) ESTABLISH THE SETBACKS FOR THE DRILLING AND SPACING UNITS ESTABLISHED FOR PRODUCTION FROM THE CODELL AND NIOBRARA FORMATIONS, ALL FOR SECTIONS 3 and 10, TOWNSHIP 11 NORTH, RANGE 66 WEST, 6TH P.M., UNNAMED FIELD, WELD COUNTY, COLORADO

CAUSE NO. 535

DOCKET NO. 1707852166

TYPE: SPACING AND
DENSITY

ORIGINAL

APPLICATION

Longs Peak Resources, LLC, Operator No. 10611 ("LPR" or "Applicant"), by and through its attorneys, Beatty & Wozniak, P.C., respectfully submits this Application to the Oil and Gas Conservation Commission of the State of Colorado ("Commission") for an order: (1) authorizing the drilling of an additional two (2) horizontal wells, for a total of six (6) horizontal wells, in a drilling and spacing unit established for the Application Lands (as defined below) for production of oil, gas and associated hydrocarbons from the Codell Formation, (2) establishing a drilling and spacing unit for the Application Lands and authorizing up to seven (7) horizontal wells within the proposed unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation and (3) establishing the setbacks for such drilling and spacing units. In support of its Application, Applicant states and alleges as follows:

1. Applicant is a limited liability company duly authorized to conduct business in the State of Colorado, and has registered as an operator with the Commission.

2. Applicant owns substantial leasehold interests in the below-listed lands:

Township 11 North, Range 66 West, 6th P.M.

Section 3: Lot 1 (79.80 acres), Lot 2 (79.92 acres),
S½NE¼, S½NW¼, S½ [All]

Section 10: All

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

These lands are hereinafter referred to as the "Application Lands." A map depicting the acreage comprising the Application Lands is attached hereto and marked as Exhibit A.

Prior Orders

3. Rule 318.a. of the Commission Rules provides a well to be drilled 2,500 feet or greater shall be located not less than 600 feet from any lease line, and shall be located not less than 1,200 feet from any other producible oil or gas well when drilling to the same common source of supply, unless authorized by the Commission upon hearing. The Application Lands are subject to Rule 318.a. for the Niobrara Formation.

4. On or about October 27, 2014, the Commission entered Order No. 535-557 which, among other things, established an approximate 1,280-acre drilling and spacing unit for the Application Lands, and approved up to four horizontal wells within the unit, for production of oil, gas and associated hydrocarbons from the Codell Formation, with the productive interval of any permitted well to be located no closer than 300 feet from the unit boundary and no closer than 660 feet from the productive interval of any well drilled or producing from the Codell Formation.

Authorizing an Additional Two Wells

5. Pursuant to §34-60-116(4), C.R.S., Applicant hereby requests that an additional two (2) horizontal wells, for a total of six (6) horizontal wells, be authorized within the Application Lands for production from the Codell Formation, in order to economically and efficiently recover resources, while minimizing surface impacts, creating efficiencies for drilling and production, increasing the ultimate recovery of the reserves, preventing waste, and protecting correlative rights.

Authorizing a Drilling and Spacing Unit for the Niobrara Formation

6. Applicant requests the Commission establish the Application Lands as a drilling and spacing unit for the Niobrara Formation pursuant to Rule 503.b.(1) and §34-60-116(2), C.R.S. For the Application Lands, the proposed drilling unit is not smaller than the maximum area that can be economically and efficiently drained by the horizontal wells proposed to be drilled under this Application and completed in the Niobrara Formation.

7. Further, Applicant requests it be authorized to drill and complete seven (7) horizontal wells in the drilling and spacing unit proposed for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation, as necessary to economically and efficiently recover resources, while minimizing surface impacts, creating efficiencies for drilling and production, increasing the ultimate recovery of the reserves, preventing waste, and protecting correlative rights.

Setbacks

8. Applicant requests that setbacks for the Application Lands be as follows:

a. Any horizontal wells to be drilled under this Application for production from the Niobrara and Codell Formations will be drilled from the surface of the

drilling unit, or on adjacent lands with consent of the landowner, from no more than four (4) surface locations, unless an exception is granted by the Director.

b. The wellbores of any horizontal wells to be drilled under this Application may enter the Codell and Niobrara Formations anywhere within the unit, or on adjacent lands, without exception being granted by the Director.

c. For any permitted wells to be drilled under this Application for production from the Codell and Niobrara Formations, the treated intervals of the wells shall be not less than 150 feet from the treated interval of another well producing from the same formation, without exception being granted by the Director.

d. For any permitted wells to be drilled under this Application for production from the Niobrara Formation, the productive interval of any permitted well shall be located no closer than 300 feet from the unit boundary. Order No. 535-557 establishes setbacks such that for any permitted wells to be drilled for production from the Codell Formation, the productive interval shall be located no closer than 300 feet from the unit boundary. Applicant is not asking to change the unit boundary setbacks as established by such previous order and the setbacks shall remain such that for any permitted wells to be drilled for production from the Codell Formation, the productive interval shall be located no closer than 300 feet from the unit boundary.

9. 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.

10. 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.

11. The undersigned certifies that copies of this Application will be served on each interested party as required by Rule 507 within seven (7) days of the filing hereof, as required by Rule 503.e.

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

A. Authorizing an additional two (2) horizontal wells, for a total of six (6) horizontal wells within the Application Lands for production from the Codell Formation.

B. Establishing a drilling and spacing unit for the Application Lands and authorizing the drilling of up to seven (7) horizontal wells within the proposed unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

C. Providing that setbacks for the Application Lands be as follows:

a. Any horizontal wells to be drilled under this Application for production from the Niobrara and Codell Formations will be drilled from the surface of the drilling unit, or on adjacent lands with consent of the landowner, from no more than four (4) surface locations, unless an exception is granted by the Director.

b. The wellbores of any horizontal wells to be drilled under this Application may enter the Codell and Niobrara Formations anywhere within the unit, or on adjacent lands, without exception being granted by the Director.

c. For any permitted wells to be drilled under this Application for production from the Codell and Niobrara Formations, the treated intervals of the wells shall be not less than 150 feet from the treated interval of another well producing from the same formation, without exception being granted by the Director.

d. For any permitted wells to be drilled under this Application for production from the Niobrara Formation, the productive interval of any permitted well shall be located no closer than 300 feet from the unit boundary. Order No. 535-557 establishes setbacks such that for any permitted wells to be drilled for production from the Codell Formation, the productive interval shall be located no closer than 300 feet from the unit boundary. This Order does not act to change the unit boundary setbacks as established by such previous order and the setbacks shall remain such that for any permitted wells to be drilled for production from the Codell Formation, the productive interval shall be located no closer than 300 feet from the unit boundary.

D. Providing that relief granted under this Application be effective on oral order by the Commission, relying on the Applicant's desire to be bound by said oral order.

E. For such other findings and orders as the Commission may deem proper or advisable in the premises.

DATED this 25 day of May, 2017.

Respectfully submitted,

Longs Peak Resources, LLC

By: 

James Parrot
Jillian Fulcher
Evan Bekkedahl
Beatty & Wozniak, P.C.
Attorneys for Applicant
216 16th Street, Suite 1100
Denver, Colorado 80202
(303) 407-4499
jparrot@bwenergylaw.com
jfulcher@bwenergylaw.com
ebekkedahl@bwenergylaw.com

Address of Applicant

Vertex Energy Partners, LLC, as agent
for Longs Peak Resources, LLC
Kent Snider, Vice President-Land
215 Union Blvd., Suite 400
Lakewood, Colorado 80228

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

~~LONGS PEAK RESOURCES, LLC~~

Kent Snider

Witness my hand and official seal.

My commission expires: 3/31/19

Notary Public

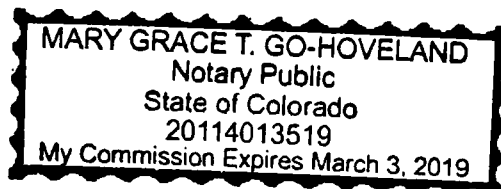


Exhibit A

Reference Map for Application

Township 11 North, Range 66 West, 6th P.M.

Section 3: Lot 1 (79.80 acres), Lot 2 (79.92 acres),
S $\frac{1}{2}$ NE $\frac{1}{4}$, S $\frac{1}{2}$ NW $\frac{1}{4}$, S $\frac{1}{2}$ [All]

Section 10: All

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

12N66W			
33	34	35	
4	3	2	
9	10	11	
11N66W			
16	15	14	



= Application Lands

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

TYPE: SPACING AND DENSITY

TERESA L. PETERSON
NOTARY PUBLIC
STATE OF COLORADO
ID 19894002026
EXPIRES OCT. 4 2017

EXHIBIT A

INTERESTED PARTIES

The names and addresses of the interested parties (persons who own any interest in the mineral estate of the tracts to be pooled, except owners of overriding royalty interest) according to the information and belief of the Applicant are set forth in this Exhibit A.

Brandon Marette, Energy Liaison
Colorado Parks and Wildlife
Northeast Region Office
6060 Broadway
Denver, CO 80216

Troy Swain
Weld County
Department of Planning Services
1555 North 17th Avenue
Greeley, CO 80631

Frank E. Horton & Dorothy L. Horton
18007 CR 128
Nunn, CO 80648

Kent Kuster
Oil & Gas Consultant Coordinator
Colorado Department of
Public Health & Environment
4300 Cherry Creek Drive South
Denver, CO 80246-1530

Longs Peak Resources, LLC
10701 Melody Dr., Suite 515
Northglenn, CO 80234

Etchepare, LLC
PO BOX 848
Cheyenne, WY 82003

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

RECEIVED
JUN 16 2017
COGCC

IN THE MATTER OF AN AMENDED APPLICATION
BY LONGS PEAK RESOURCES, LLC FOR AN
ORDER TO, AMONG OTHER THINGS, (1)
AUTHORIZE TWO (2) ADDITIONAL HORIZONTAL
WELLS, FOR A TOTAL OF SIX (6) HORIZONTAL
WELLS FOR PRODUCTION FROM THE CARLILE,
FORT HAYES, AND CODELL FORMATIONS, (2)
ESTABLISH AN APPROXIMATE 1280-ACRE
DRILLING AND SPACING UNIT AND AUTHORIZE
UP TO SEVEN (7) WELLS FOR PRODUCTION
FROM THE NIOBRARA FORMATION, AND (3)
ESTABLISH THE SETBACKS FOR THE DRILLING
AND SPACING UNITS ESTABLISHED FOR
PRODUCTION FROM THE CARLILE, FORT HAYES,
CODELL AND NIOBRARA FORMATIONS, ALL FOR
SECTIONS 3 and 10, TOWNSHIP 11 NORTH,
RANGE 66 WEST, 6TH P.M., UNNAMED FIELD,
WELD COUNTY, COLORADO

CAUSE NO. 535

DOCKET NO. 170700466

TYPE: SPACING AND
DENSITY

ORIGINAL

AMENDED APPLICATION

Longs Peak Resources, LLC, Operator No. 10611 ("LPR" or "Applicant"), by and through its attorneys, Beatty & Wozniak, P.C., respectfully submits this Amended Application to the Oil and Gas Conservation Commission of the State of Colorado ("Commission") for an order: (1) authorizing the drilling of an additional two (2) horizontal wells, for a total of six (6) horizontal wells, in a drilling and spacing unit established for the Application Lands (as defined below) for production of oil, gas and associated hydrocarbons from the Carlile, Fort Hayes, and Codell Formations, (2) establishing a drilling and spacing unit for the Application Lands and authorizing up to seven (7) horizontal wells within the proposed unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation and (3) establishing the setbacks for such drilling and spacing units. In support of its Amended Application, Applicant states and alleges as follows:

1. Applicant is a limited liability company duly authorized to conduct business in the State of Colorado, and has registered as an operator with the Commission.

2. Applicant owns substantial leasehold interests in the below-listed lands:

Township 11 North, Range 66 West, 6th P.M.

Section 3: Lot 1 (79.80 acres), Lot 2 (79.92 acres),
S $\frac{1}{2}$ NE $\frac{1}{4}$, S $\frac{1}{2}$ NW $\frac{1}{4}$, S $\frac{1}{2}$ [All]

Section 10: All

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

These lands are hereinafter referred to as the "Application Lands." A map depicting the acreage comprising the Application Lands is attached hereto and marked as Exhibit A.

Prior Orders

3. Rule 318.a. of the Commission Rules provides a well to be drilled 2,500 feet or greater shall be located not less than 600 feet from any lease line, and shall be located not less than 1,200 feet from any other producible oil or gas well when drilling to the same common source of supply, unless authorized by the Commission upon hearing. The Application Lands are subject to Rule 318.a. for the Niobrara Formation.

4. On or about October 27, 2014, the Commission entered Order No. 535-557 which, among other things, established an approximate 1,280-acre drilling and spacing unit for the Application Lands, and approved up to four horizontal wells within the unit, for production of oil, gas and associated hydrocarbons from the Codell Formation, with the productive interval of any permitted well to be located no closer than 300 feet from the unit boundary and no closer than 660 feet from the productive interval of any well drilled or producing from the Codell Formation.

Authorizing an Additional Two Wells

5. Pursuant to §34-60-116(4), C.R.S., Applicant hereby requests that an additional two (2) horizontal wells, for a total of six (6) horizontal wells, be authorized within the Application Lands for production from the Carlile, Fort Hayes, and Codell Formations, in order to economically and efficiently recover resources, while minimizing surface impacts, creating efficiencies for drilling and production, increasing the ultimate recovery of the reserves, preventing waste, and protecting correlative rights.

Authorizing a Drilling and Spacing Unit for the Niobrara Formation

6. Applicant requests the Commission establish the Application Lands as a drilling and spacing unit for the Niobrara Formation pursuant to Rule 503.b.(1) and §34-60-116(2), C.R.S. For the Application Lands, the proposed drilling unit is not smaller than the maximum area that can be economically and efficiently drained by the horizontal wells proposed to be drilled under this Amended Application and completed in the Niobrara Formation.

7. Further, Applicant requests it be authorized to drill and complete seven (7) horizontal wells in the drilling and spacing unit proposed for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation, as necessary to economically and efficiently recover resources, while minimizing surface impacts, creating efficiencies for drilling and production, increasing the ultimate recovery of the reserves, preventing waste, and protecting correlative rights.

Setbacks

8. Applicant requests that setbacks for the Application Lands be as follows:

a. Any horizontal wells to be drilled under this **Amended** Application for production from the **Carlile, Fort Hayes**, Niobrara and Codell Formations will be drilled from the surface of the drilling unit, or on adjacent lands with consent of the landowner, from no more than four (4) surface locations, unless an exception is granted by the Director.

b. The wellbores of any horizontal wells to be drilled under this **Amended** Application may enter the **Carlile, Fort Hayes**, Codell and Niobrara Formations anywhere within the unit, or on adjacent lands, without exception being granted by the Director.

c. For any permitted wells to be drilled under this **Amended** Application for production from the **Carlile, Fort Hayes**, Codell and Niobrara Formations, the treated intervals of the wells shall be not less than 150 feet from the treated interval of another well producing from the same formation, without exception being granted by the Director.

d. For any permitted wells to be drilled under this **Amended** Application for production from the Niobrara Formation, the productive interval of any permitted well shall be located no closer than 300 feet from the unit boundary. Order No. 535-557 establishes setbacks such that for any permitted wells to be drilled for production from the Codell Formation, the productive interval shall be located no closer than 300 feet from the unit boundary. Applicant is not asking to change the unit boundary setbacks as established by such previous order and the setbacks shall remain such that for any permitted wells to be drilled for production from the **Carlile, Fort Hayes**, Codell Formations, the productive interval shall be located no closer than 300 feet from the unit boundary.

9. Applicant requests that relief granted under this **Amended** Application should be effective on oral order by the Commission, and Applicant hereby agrees to be bound by said oral order.

10. The granting of this **Amended** 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.

11. The undersigned certifies that copies of this **Amended** Application will be served on each interested party as required by Rule 507 within seven (7) days of the filing hereof, as required by Rule 503.e.

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

A. Authorizing an additional two (2) horizontal wells, for a total of six (6) horizontal wells within the Application Lands for production from the **Carlile, Fort Hayes**, **and** Codell Formations.

B. Establishing a drilling and spacing unit for the Application Lands and authorizing the drilling of up to seven (7) horizontal wells within the proposed unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

C. Providing that setbacks for the Application Lands be as follows:

a. Any horizontal wells to be drilled under this Amended Application for production from the Carlile, Fort Hayes, Niobrara and Codell Formations will be drilled from the surface of the drilling unit, or on adjacent lands with consent of the landowner, from no more than four (4) surface locations, unless an exception is granted by the Director.

b. The wellbores of any horizontal wells to be drilled under this Amended Application may enter the Carlile, Fort Hayes, Codell and Niobrara Formations anywhere within the unit, or on adjacent lands, without exception being granted by the Director.

c. For any permitted wells to be drilled under this Amended Application for production from the Carlile, Fort Hayes, Codell and Niobrara Formations, the treated intervals of the wells shall be not less than 150 feet from the treated interval of another well producing from the same formation, without exception being granted by the Director.

d. For any permitted wells to be drilled under this Amended Application for production from the Niobrara Formation, the productive interval of any permitted well shall be located no closer than 300 feet from the unit boundary. Order No. 535-557 establishes setbacks such that for any permitted wells to be drilled for production from the Codell Formation, the productive interval shall be located no closer than 300 feet from the unit boundary. This Order does not act to change the unit boundary setbacks as established by such previous order and the setbacks shall remain such that for any permitted wells to be drilled for production from the Carlile, Fort Hayes, and Codell Formations, the productive interval shall be located no closer than 300 feet from the unit boundary.

D. Providing that relief granted under this Amended Application be effective on oral order by the Commission, relying on the Applicant's desire to be bound by said oral order.

E. For such other findings and orders as the Commission may deem proper or advisable in the premises.

DATED this 15th day of May June, 2017.

Respectfully submitted,

Longs Peak Resources, LLC

By: 

James Parrot

Jillian Fulcher

Evan Bekkedahl

Beatty & Wozniak, P.C.

Attorneys for Applicant

216 16th Street, Suite 1100

Denver, Colorado 80202

(303) 407-4499

jparrot@bwenergylaw.com

jfulcher@bwenergylaw.com

ebekkedahl@bwenergylaw.com

Address of Applicant

Vertex Energy Partners, LLC, as agent

for Longs Peak Resources, LLC

Kent Snider, Vice President-Land

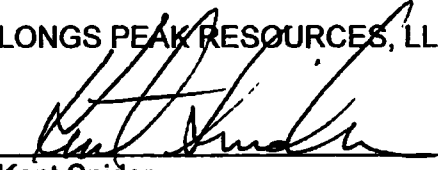
215 Union Blvd., Suite 400

Lakewood, Colorado 80228

VERIFICATION

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

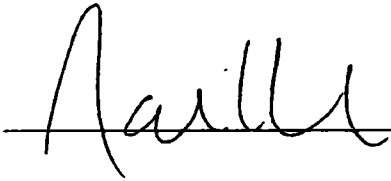
Kent Snider, Vice President-Land for Vertex Energy Partners, LLC, as agent for Longs Peak Resources, LLC, upon oath deposes and says that he has read the foregoing **Amended** Application and that the statements contained therein are true to the best of his knowledge, information and belief.

LONGS PEAK RESOURCES, LLC

Kent Snider

Subscribed and sworn to before me this 14 day of June, 2017, by Kent Snider, Vice President-Land for Vertex Energy Partners, LLC, as agent for Longs Peak Resources, LLC.

Witness my hand and official seal.

My commission expires: July 8, 2020


Notary Public

NAOMI HATA
Notary Public - State of Colorado
Notary ID: 20164025944
COMM. EXP. JULY 8, 2020

Exhibit A

Reference Map for Application

Township 11 North, Range 66 West, 6th P.M.

Section 3: Lot 1 (79.80 acres), Lot 2 (79.92 acres),
S $\frac{1}{2}$ NE $\frac{1}{4}$, S $\frac{1}{2}$ NW $\frac{1}{4}$, S $\frac{1}{2}$ [All]

Section 10: All

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

66W R. 11N T.	33 12N66W	34	35	
	4	3	2	
	9 11N66W	10	11	
	16	15	14	

 = Application Lands

RECEIVED

JUN 16 2017

COGCC

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

IN THE MATTER OF AN AMENDED APPLICATION
BY LONGS PEAK RESOURCES, LLC FOR AN
ORDER TO, AMONG OTHER THINGS, (1)
AUTHORIZE TWO (2) ADDITIONAL HORIZONTAL
WELLS, FOR A TOTAL OF SIX (6) HORIZONTAL
WELLS FOR PRODUCTION FROM THE CARLILE,
FORT HAYES, AND CODELL FORMATIONS, (2)
ESTABLISH AN APPROXIMATE 1280-ACRE
DRILLING AND SPACING UNIT AND AUTHORIZE
UP TO SEVEN (7) WELLS FOR PRODUCTION
FROM THE NIOBRARA FORMATION, AND (3)
ESTABLISH THE SETBACKS FOR THE DRILLING
AND SPACING UNITS ESTABLISHED FOR
PRODUCTION FROM THE CARLILE, FORT HAYES,
CODELL AND NIOBRARA FORMATIONS, ALL FOR
SECTIONS 3 and 10, TOWNSHIP 11 NORTH,
RANGE 66 WEST, 6TH P.M., UNNAMED FIELD,
WELD COUNTY, COLORADO

CAUSE NO. 535

DOCKET NO. 170700466

TYPE: SPACING AND
DENSITY

AFFIDAVIT OF MAILING

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

Grace Go-Hoveland, of lawful age, and being first duly sworn upon her oath,
states and declares:

That she is a Legal Assistant at Beatty & Wozniak, P.C., attorneys for Longs
Peak Resources, LLC, and on June 16, 2017, caused a copy of the attached
AMENDED Application to be deposited in the United States Mail, postage prepaid,
addressed to the parties listed on Exhibit A attached hereto.


Grace Go-Hoveland

Subscribed and sworn to before me this 16th day of June, 2017.

Witness my hand and official seal.

TERESA L. PETERSON
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 19894002026
MY COMMISSION EXPIRES OCT. 4, 2017

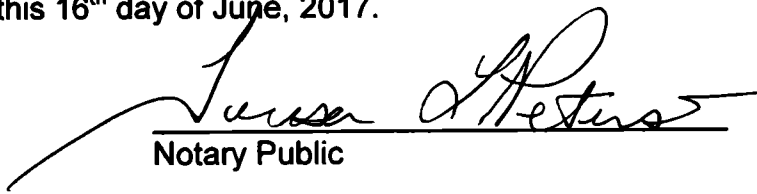

Notary Public

EXHIBIT A
INTERESTED PARTIES

Brandon Marette, Energy Liaison
Colorado Parks and Wildlife
Northeast Region Office
6060 Broadway
Denver, CO 80216

Troy Swain
Weld County
Department of Planning Services
1555 North 17th Avenue
Greeley, CO 80631

Frank E. Horton & Dorothy L. Horton
18007 CR 128
Nunn, CO 80648

Kent Kuster
Oil & Gas Consultant Coordinator
Colorado Department of
Public Health & Environment
4300 Cherry Creek Drive South
Denver, CO 80246-1530

Longs Peak Resources, LLC
10701 Melody Dr., Suite 515
Northglenn, CO 80234

Etchepare, LLC
PO BOX 848
Cheyenne, WY 82003

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

RECEIVED
JUL 12 2017
COGCC

IN THE MATTER OF AN SECOND AMENDED APPLICATION BY LONGS PEAK RESOURCES, LLC FOR AN ORDER TO, AMONG OTHER THINGS, ~~(1) AUTHORIZE TWO (2) ADDITIONAL HORIZONTAL WELLS, FOR A TOTAL OF SIX (6) HORIZONTAL WELLS FOR PRODUCTION FROM THE CARLILE, FORT HAYES AND CODELL FORMATIONS,~~ ESTABLISH AN APPROXIMATE 1280-ACRE DRILLING AND SPACING UNIT FOR PRODUCTION FROM THE CARLILE AND FORT HAYES FORMATIONS (2) AUTHORIZE UP TO 6 HORIZONTAL WELLS FOR PRODUCTION FROM THE CODELL, FORT HAYES AND CARLILE FORMATION (2) (3) ESTABLISH AN APPROXIMATE 1280-ACRE DRILLING AND SPACING UNIT AND AUTHORIZE UP TO SEVEN (7) WELLS FOR PRODUCTION FROM THE NIOBRARA FORMATION, AND (3) (4) ESTABLISH THE SETBACKS FOR THE DRILLING AND SPACING UNITS ESTABLISHED FOR PRODUCTION FROM THE CARLILE, FORT HAYES, CODELL AND NIOBRARA FORMATIONS, ALL FOR SECTIONS 3 and 10, TOWNSHIP 11 NORTH, RANGE 66 WEST, 6TH P.M., UNNAMED FIELD, WELD COUNTY, COLORADO

CAUSE NO. 535

DOCKET NO. 170700466

TYPE: SPACING AND
DENSITY

ORIGINAL

SECOND AMENDED APPLICATION

Longs Peak Resources, LLC, Operator No. 10611 ("LPR" or "Applicant"), by and through its attorneys, Beatty & Wozniak, P.C., respectfully submits this Second Amended Application to the Oil and Gas Conservation Commission of the State of Colorado ("Commission") for an order: ~~(1) authorizing the drilling of an additional two (2) horizontal wells, for a total of six (6) horizontal wells, in a drilling and spacing unit established for the Application Lands (as defined below) for production of oil, gas and associated hydrocarbons from the Carlile, Fort Hayes, and Codell Formations,~~ establishing an approximate 1280-acre drilling and spacing unit for the Application Lands (as defined below) for production of oil, gas and associated hydrocarbons from the Carlile and Fort Hayes Formations, (2) authorize up to six (6) horizontal wells within the proposed unit, for the production of oil, gas and associated hydrocarbons from the Codell, Carlile and Fort Hayes Formations (2) (3) establishing a drilling and spacing unit for the Application Lands and authorizing up to seven (7) horizontal wells within the proposed unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation and (3) (4) establishing the setbacks for such drilling and spacing units. In support of its Second Amended Application, Applicant states and alleges as follows:

1. Applicant is a limited liability company duly authorized to conduct business in the State of Colorado, and has registered as an operator with the Commission.

2. Applicant owns substantial leasehold interests in the below-listed lands:

Township 11 North, Range 66 West, 6th P.M.

Section 3: Lot 1 (79.80 acres), Lot 2 (79.92 acres),
S $\frac{1}{2}$ NE $\frac{1}{4}$, S $\frac{1}{2}$ NW $\frac{1}{4}$, S $\frac{1}{2}$ [All]

Section 10: All

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

These lands are hereinafter referred to as the "Application Lands." A map depicting the acreage comprising the Application Lands is attached hereto and marked as Exhibit A.

Prior Orders

3. Rule 318.a. of the Commission Rules provides a well to be drilled 2,500 feet or greater shall be located not less than 600 feet from any lease line, and shall be located not less than 1,200 feet from any other producible oil or gas well when drilling to the same common source of supply, unless authorized by the Commission upon hearing. The Application Lands are subject to Rule 318.a. for the Niobrara Formation.

4. On or about October 27, 2014, the Commission entered Order No. 535-557 which, among other things, established an approximate 1,280-acre drilling and spacing unit for the Application Lands, and approved up to four horizontal wells within the unit, for production of oil, gas and associated hydrocarbons from the Codell Formation, with the productive interval of any permitted well to be located no closer than 300 feet from the unit boundary and no closer than 660 feet from the productive interval of any well drilled or producing from the Codell Formation.

Establishing a Drilling and Spacing Unit for the Carlile and Fort Hayes Formations

5. Applicant requests the Commission establish the Application Lands as a drilling and spacing unit for the Carlile and Fort Hayes Formations pursuant to Rule 503.b.(1) and §34-60-116(2), C.R.S. For the Application Lands, the proposed drilling unit is not smaller than the maximum area that can be economically and efficiently drained by the horizontal wells proposed to be drilled under this Second Amended Application and completed in the Carlile and Fort Hayes Formations.

Authorizing an Additional Two Wells

Authorizing up to six (6) wells for production from the Codell, Carlile and Fort Hayes Formations

6. Applicant requests it be authorized to drill and complete up to six (6) horizontal wells in the drilling and spacing unit proposed for the Application Lands, for production of oil, gas and associated hydrocarbons from the Carlile and Fort Hayes Formations. Further, Pursuant to §34-60-116(4), C.R.S., Applicant hereby

requests that an additional two (2) horizontal wells, for a total of six (6) horizontal wells, be authorized within the Application Lands for production from the Carlile, Fort Hayes, and Codell Formations. It is the intent of the Applicant that it be authorized to drill up to six (6) horizontal wells total within the combined proposed unit for the Carlile and Fort Hayes Formations and the unit established for the Codell Formation, for production from the Carlile, Fort Hayes and Codell Formations. Due to the thickness of the Codell Formation in this area, wellbores may deviate from the Codell Formation into the Carlile and Fort Hayes Formations. Therefore, Applicant hereby requests a total of six (6) horizontal wells be authorized within the Application Lands for production from the Carlile, Fort Hayes and Codell Formations, as is necessary in order to economically and efficiently recover resources, while minimizing surface impacts, creating efficiencies for drilling and production, increasing the ultimate recovery of the reserves, preventing waste, and protecting correlative rights.

Authorizing a Drilling and Spacing Unit for the Niobrara Formation

7. Applicant requests the Commission establish the Application Lands as a drilling and spacing unit for the Niobrara Formation pursuant to Rule 503.b.(1) and §34-60-116(2), C.R.S. For the Application Lands, the proposed drilling unit is not smaller than the maximum area that can be economically and efficiently drained by the horizontal wells proposed to be drilled under this **Second** Amended Application and completed in the Niobrara Formation.

8. Further, Applicant requests it be authorized to drill and complete seven (7) horizontal wells in the drilling and spacing unit proposed for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation, as necessary to economically and efficiently recover resources, while minimizing surface impacts, creating efficiencies for drilling and production, increasing the ultimate recovery of the reserves, preventing waste, and protecting correlative rights.

Setbacks

9. Applicant requests that setbacks for the Application Lands be as follows:

a. Any horizontal wells to be drilled under this **Second** Amended Application for production from the Carlile, Fort Hayes, Niobrara and Codell Formations will be drilled from the surface of the drilling unit, or on adjacent lands with consent of the landowner, from no more than four (4) surface locations, unless an exception is granted by the Director.

b. The wellbores of any horizontal wells to be drilled under this **Second** Amended Application may enter the Carlile, Fort Hayes, Codell and Niobrara Formations anywhere within the unit, or on adjacent lands, without exception being granted by the Director.

c. For any permitted wells to be drilled under this **Second** Amended Application for production from the Carlile, Fort Hayes, Codell and Niobrara Formations, the treated intervals of the wells shall be not less than 150 feet from the

treated interval of another well producing from the same formation, without exception being granted by the Director.

d. For any permitted wells to be drilled under this **Second** Amended Application for production from the Niobrara Formation, the productive interval of any permitted well shall be located no closer than 300 feet from the unit boundary. ~~Order No. 535-557 establishes setbacks such that for any permitted wells to be drilled for production from the Codell Formation, the productive interval shall be located no closer than 300 feet from the unit boundary. Applicant is not asking to change the unit boundary setbacks as established by such previous order and the setbacks shall remain such that for any permitted wells to be drilled for production from the Carlile, Fort Hayes, and Codell Formations, the productive interval shall be located no closer than 300 feet from the unit boundary.~~

e. **Order No. 535-557 establishes setbacks such that for any permitted wells to be drilled for production from the Codell Formation, the productive interval shall be located no closer than 300 feet from the unit boundary. Applicant is not asking to change the unit boundary setbacks as established by such previous order and the setbacks shall remain such that for any permitted wells to be drilled for production from the Codell Formation, the productive interval shall be located no closer than 300 feet from the unit boundary. Moreover, as the Carlile and Fort Hayes Formations are not target formations under this Application but merely ubiquitous across the Application Lands and may be inadvertently deviated into by wellbores targeting the Codell Formation, Applicant requests that the setbacks for the approximate 1280-acre unit proposed for the Carlile and Fort Hayes Formations be no closer than 300 feet from the unit boundary as well, as previously established in Order No. 535-557 for production from the Codell Formation.**

10. Applicant requests that relief granted under this **Second** Amended Application should be effective on oral order by the Commission, and Applicant hereby agrees to be bound by said oral order.

11. The granting of this **Second** Amended 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.

12. The undersigned certifies that copies of this **Second** Amended Application will be served on each interested party as required by Rule 507 within seven (7) days of the filing hereof, as required by Rule 503.e.

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

~~A. Authorizing an additional two (2) horizontal wells, for a total of six (6) horizontal wells within the Application Lands for production from the Carlile, Fort Hayes, and Codell Formations.~~

B. Establishing a drilling and spacing unit for the Application Lands for the production of oil, gas and associated hydrocarbons from the Carlile and Fort Hayes Formations.

C. Authorizing up to six (6) horizontal wells for the production of oil, gas and associated hydrocarbons from the Carlile, Fort Hayes and Codell Formations.

D. Establishing a drilling and spacing unit for the Application Lands and authorizing the drilling of up to seven (7) horizontal wells within the proposed unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

E. Providing that setbacks for the Application Lands be as follows:

a. Any horizontal wells to be drilled under this **Second** Amended Application for production from the Carlile, Fort Hayes, Niobrara and Codell Formations will be drilled from the surface of the drilling unit, or on adjacent lands with consent of the landowner, from no more than four (4) surface locations, unless an exception is granted by the Director.

b. The wellbores of any horizontal wells to be drilled under this **Second** Amended Application may enter the Carlile, Fort Hayes, Codell and Niobrara Formations anywhere within the unit, or on adjacent lands, without exception being granted by the Director.

c. For any permitted wells to be drilled under this **Second** Amended Application for production from the Carlile, Fort Hayes, Codell and Niobrara Formations, the treated intervals of the wells shall be not less than 150 feet from the treated interval of another well producing from the same formation, without exception being granted by the Director.

d. For any permitted wells to be drilled under this **Second** Amended Application for production from the Niobrara Formation, the productive interval of any permitted well shall be located no closer than 300 feet from the unit boundary. ~~Order No. 535-557 establishes setbacks such that for any permitted wells to be drilled for production from the Codell Formation, the productive interval shall be located no closer than 300 feet from the unit boundary. This Order does not act to change the unit boundary setbacks as established by such previous order and the setbacks shall remain such that for any permitted wells to be drilled for production from the Carlile, Fort Hayes, and Codell Formations, the productive interval shall be located no closer than 300 feet from the unit boundary.~~

e. **Order No. 535-557 establishes setbacks such that for any permitted wells to be drilled for production from the Codell Formation, the productive interval shall be located no closer than 300 feet from the unit boundary. Applicant is not asking to change the unit boundary setbacks as established by such previous order and the setbacks shall remain such that for any permitted wells to be drilled for production from the Codell Formation, the productive interval shall be located no closer than 300 feet from the unit boundary. As the Carlile and Fort Hayes Formations are not target formations**

under this Application but merely ubiquitous across the Application Lands and may be inadvertently deviated into by wellbores targeting the Codell Formation, the setbacks for the approximate 1280-acre unit proposed for the Carlile and Fort Hayes Formations shall be no closer than 300 feet from the unit boundary, as previously established in Order No. 535-557 for production from the Codell Formation.

F. Providing that relief granted under this **Second** Amended Application be effective on oral order by the Commission, relying on the Applicant's desire to be bound by said oral order.

G. For such other findings and orders as the Commission may deem proper or advisable in the premises.

DATED this 12th day of ~~May~~ June, July 2017.

Respectfully submitted,

Longs Peak Resources, LLC

By: 

James Parrot
Jillian Fulcher
Evan Bekkedahl
Beatty & Wozniak, P.C.
Attorneys for Applicant
216 16th Street, Suite 1100
Denver, Colorado 80202
(303) 407-4499
jparrot@bwenergylaw.com
jfulcher@bwenergylaw.com
ebekkedahl@bwenergylaw.com


Address of Applicant

Vertex Energy Partners, LLC, as agent
for Longs Peak Resources, LLC
Kent Snider, Vice President-Land
215 Union Blvd., Suite 400
Lakewood, Colorado 80228

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

~~LONGS PEAK RESOURCES, LLC~~


LONGS PEAK RESOURCES, LLC



Kent Snider

Witness my hand and official seal.

My commission expires: July 8, 2020

 _____
Notary Public

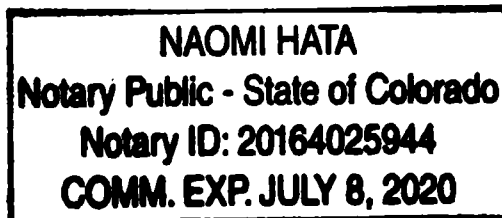


Exhibit A

Reference Map for Application

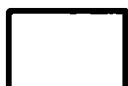
Township 11 North, Range 66 West, 6th P.M.

Section 3: Lot 1 (79.80 acres), Lot 2 (79.92 acres),
S $\frac{1}{2}$ NE $\frac{1}{4}$, S $\frac{1}{2}$ NW $\frac{1}{4}$, S $\frac{1}{2}$ [All]

Section 10: All

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

12N66W			
33	34	35	
4	3	2	
9	10	11	
11N66W			
16	15	14	



= Application Lands

RECEIVED
JUL 18 2017
COGCC

ORIGINAL

Notary Public

EXHIBIT A
INTERESTED PARTIES

Brandon Marette, Energy Liaison
Colorado Parks and Wildlife
Northeast Region Office
6060 Broadway
Denver, CO 80216

Troy Swain
Weld County
Department of Planning Services
1555 North 17th Avenue
Greeley, CO 80631

Frank E. Horton & Dorothy L. Horton
18007 CR 128
Nunn, CO 80648

Kent Kuster
Oil & Gas Consultant Coordinator
Colorado Department of
Public Health & Environment
4300 Cherry Creek Drive South
Denver, CO 80246-1530

Longs Peak Resources, LLC
10701 Melody Dr., Suite 515
Northglenn, CO 80234

Etchepare, LLC
PO BOX 848
Cheyenne, WY 82003