

**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 FOR REDUCED SETBACKS IN THE APPROXIMATE 640-ACRE KUMMER EXPLORATORY STATE UNIT IN SECTION 23, TOWNSHIP 8 NORTH, RANGE 61 WEST, 6TH P.M., FOR THE PRODUCTION OF OIL, GAS AND ASSOCIATED HYDROCARBONS FROM THE CODELL-NIOBRARA FORMATION, UNNAMED FIELD, WELD COUNTY, COLORADO

CAUSE NO. 535

DOCKET NO. 180700____

TYPE: EXCEPTION LOCATION

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 modify Order No. 535-259, to allow 300-foot setbacks as to the western unit boundary line of the approximate 640-acre Kummer Exploratory State Unit established for Section 23, Township 8 North, Range 61 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Codell-Niobrara Formation 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 Operator as defined by the Colorado Oil and Gas Conservation Act, § 34-60-103(7) and the Commission 100 Series Rules, and has a right to drill and produce on the following lands (hereafter "Application Lands"):

Township 8 North, Range 61 West, 6th P.M.

Section 23: All (with setbacks specific to the western boundary line only)

640 acres, more or less, Weld County, Colorado.

A reference map of the Application Lands is attached hereto.

3. On September 19, 2011 the Commission entered Order No. 535-69 which, among other things, established forty (40) approximate 640-acre drilling and spacing unit located in Township 7 through through 9 North, Ranges 58 through 61 West, 6th P.M., including Section 23, Township 8 North, Range 61 West, 6th P.M., approving two horizontal wells within each unit, and vertical wells with 150 foot bottomhole setbacks for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

4. On January 7, 2013 the Commission entered Order No. 535-259 which, among other things, vacated an approximate 640 acre drilling and spacing unit established by Order No. 535-69 for Section 23, Township 8 North, Range 61 West, 6th P.M., and established a Kummer Exploratory State Unit pursuant to C.R.S. §34-60-118 being an approximate 640-acre exploratory drilling and spacing unit, located in Section 23, Township 8 North, Range 61 West, 6th P.M., with the intent to initially drill up to eight (8) wells within the unit for production of gas, oil, and associated hydrocarbons from the Codell-Niobrara Formation. The Kummer Exploratory State Unit is governed by a private unit agreement and private unit operating agreement between Applicant and the mineral interest owner, Weld County, Colorado. Applicant holds 100% interest in Section 23, Township 8 North, Range 61 West, 6th P.M.

5. On September 16, 2013, the Commission entered Order No. 535-419 which, among other things, vacated two 640-acre drilling and spacing units and established a 1,280 acre drilling and spacing unit for Section 13 and Section 24, Township 8 North, Range 61 West, 6th P.M. and allowing up to two (2) horizontal wells for the development and operation of the oil, gas and hydrocarbons in the Codell and Niobrara Formations. Applicant holds a majority interest (80% or more) in this 1,280-acre drilling and spacing unit.

6. On March 20, 2017, the Commission entered Order No. 535-775 which, among other things, established an approximate 640-acre drilling and spacing unit for portions of Sections 23 and 24, Township 8 North, Range 61 West, 6th P.M., and approved one horizontal well within the unit for the production of oil, gas and associated hydrocarbons from the Niobrara Formation, providing that the productive interval of the wellbore will be located no closer than 600 feet from the northern boundary of the unit, 200 feet from the eastern and western boundaries of the unit and 300 feet from the southern boundary of the unit, and no closer than 150 feet from the productive interval of any other wellbore located in the unit, unless the Director grants an exception.

7. On June 12, 2017, the Commission entered Order No. 535-820 which, among other things, vacated Order No. 535-775, which established an approximate 640-acre drilling and spacing unit for portions of Sections 23 and 24, Township 8 North, Range 61 West, 6th P.M., for the production of oil, gas, and associated hydrocarbons from the Niobrara Formation.

8. The Commission records reflect that there are six (6) horizontal wells currently producing from the Niobrara Formation in the Application Lands, which are as follows:

- a. Kummer PC LE 23-99HZ (API No. 05-123-32789)
- b. Kummer PC LE 23-64HN (API No. 05-123-36679)
- c. Kummer PC LE 23-65HN (API No. 05-123-36682)
- d. Kummer PC LE 23-65-1HN (API No. 05-123-36684)
- e. Kummer PC LE 23-66-1HN (API No. 05-123-36685)
- f. Kummer LE 23-615 (API No. 05-123-36943)

9. Applicant is the Operator of the six (6) horizontal wells and own the entire leasehold interest in the Kummer Exploratory State Unit in Section 23, Township 8 North, Range 61 West, 6th P.M.

10. To promote efficient drainage within the Codell and Niobrara Formations of the Application Lands, to protect correlative rights and to avoid waste, the Commission should modify Order No. 535-259 as set forth herein by allowing 300-foot setbacks as to the western unit boundary line of the Application Lands, with such setbacks applying retroactively to the effective date of Order No. 535-259.

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.

12. 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.

13. 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 on July 30, 2018, that notice be given as required by law, and that upon such hearing, the Commission enter its order:

A. Modify Order No. 535-259 to allow 300-foot setbacks in the western unit boundary line of the Kummer Exploratory State Unit established for Section 23, Township 8 North Range 61 West, 6th P.M., with such setbacks applying retroactively to the effective date of Order No. 535-259.

B. Finding that the reduced setbacks on the western boundary line in the approximate 640-acre Kummer Exploratory State Unit, will prevent waste, protect correlative rights, and maximize the efficient and economic production of the Codell and Niobrara Formations in Kummer Exploratory State Unit

C. For such other findings and orders as the Commission may deem proper or advisable in this matter.

DATED May 11, 2018.

Respectfully submitted:

NOBLE ENERGY, INC.

By:



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VERIFICATION

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

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
Land Manager
Noble Energy, Inc.

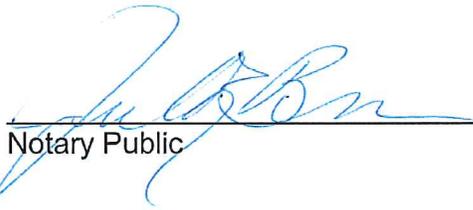
Subscribed and sworn to before me this 11th day of May, 2018.

Witness my hand and official seal.

[SEAL]

My commission expires: 04/30/2021

JULIE K BROWN
Notary Public
State of Colorado
Notary ID # 20094014382
My Commission Expires 04-30-2021



Notary Public

Reference Map
Noble Energy, Inc.

Section 23, Township 8 North, Range 61 West, 6th P.M., Weld County, Colorado

