

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

IN THE MATTER OF THE APPLICATION OF
BAYHORSE PETROLEUM, LLC FOR AN ORDER
POOLING ALL NON-CONSENTING INTERESTS
IN THE MARMATON FORMATION FOR CERTAIN
DESCRIBED LANDS IN THE LEFT HAND FIELD
(ABD) AREA, KIOWA COUNTY, COLORADO

CAUSE NO. 252

DOCKET NO. _____

APPLICATION

COMES NOW, Bayhorse Petroleum, LLC (referred to herein as "Applicant"), by and through its undersigned attorneys, and makes application to the Oil and Gas Conservation Commission of the State of Colorado ("COGCC"), for an order to pool all non-consenting interests in an established eighty (80) acre drilling and spacing unit for drilling to the Marmaton Formation, and as grounds therefore, states as follows:

1. Applicant is a limited liability company duly authorized to conduct business in the State of Colorado.

2. Applicant owns leasehold interests in the following lands:

Township 18 South, Range 47 West, 6th P.M.

Section 21: S $\frac{1}{2}$ SW $\frac{1}{4}$, N $\frac{1}{2}$ SW $\frac{1}{4}$

("Application Lands").

3. Applicant has a pending spacing application before the Colorado Oil and Gas Conservation Commission. Applicant anticipates the Application Lands will be established as an approximate 80-acre drilling and spacing unit for the production of gas and associated hydrocarbons from the Marmaton Formation. Attached as Exhibit B is a plat of the Application Lands.

4. Applicant requests an order pooling all non-consenting working interests in the spacing unit for the development and operation of the Marmaton Formation on the Application Lands.

5. Applicant proposes drilling the well listed below and shown on the plat attached hereto as Exhibit B, for which it is requesting that this order apply, as of the spud date of the well:

- Trade Winds 1-21

Applicant plans to spud this well on or about the 2nd, 3rd or 4th quarter of 2010.

6. The interested parties listed on Exhibit A, attached hereto, own working interests in the referenced lands.

7. More than thirty (30) days prior to hearing on this application, Applicant will have sent to the unleased non-consenting owner an offer to lease containing the information required by COGCC Rule 530.c. Applicant's offer to lease is reasonable and thereby consistent with COGCC Rule 530.c. Applicant has not received any response from the non-consenting, unleased owner concerning the proposed well.

8. More than thirty (30) days prior to hearing on this application, Applicant will have sent to the non-consenting working interest owner an offer to participate in the well pursuant to COGCC Rule 530.b.

9. The name and last-known address of the interested parties are set forth in Exhibit A, and the undersigned certifies that copies of this Application will be served on all interested parties within seven (7) days of the date hereof, as required by COGCC Rule 503.e.

10. In order to prevent waste, protect correlative rights and in the best interests of conservation, all interests of the parties entitled to participate in the production from approximate 80-acre drilling and spacing unit (such parties and their addresses being listed in Exhibit A attached hereto) should be pooled as to production from the Marmaton Formation in accordance with C.R.S. § 34-60-116 and Rule 530 of the COGCC.

WHEREFORE, Applicant respectfully requests that this matter be set for hearing, that notice thereof be given as required by law and that upon such hearing this Commission enter its order that all unleased mineral interest owners who have refused to execute a lease covering their mineral interests in the Application Lands, or, alternatively have refused to participate in the costs of drilling the initial well and future wells be treated as non-consenting owners under C.R.S. § 34-60-116 and made subject to the terms and penalties provided for therein and for such other findings and orders as the Commission may deem proper or advisable in the premises.

Dated: February __, 2010.

BEATTY & WOZNIAK, P.C.

By: _____
Andrew A. Bremner
216 16th Street, Suite 1100
Denver, CO 80202
303-407-4499
abremner@bwenergylaw.com

ATTORNEYS FOR BAYHORSE PETROLEUM, LLC

Address of Applicant:

2558 Portsmouth Ave.
Salt Lake City, Utah 84121

VERIFICATION

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

Rod Vaughn of lawful age, being first duly sworn upon oath, deposes and says that he is a Geologist for Bayhorse Petroleum, LLC 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.

By: _____
Rod Vaughn

Subscribed and sworn to before me this _____ day of February, 2010.

Witness my hand and official seal.

My commission expires: _____

Notary Public

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AFFIDAVIT OF MAILING

Andrew A. Bremner, of lawful age, and being first duly sworn upon his oath, states and declares:

That he is the attorney for Bayhorse Petroleum, LLC, that on or before February ____, 2010, he caused a copy of the attached Application in the subject docket to be deposited in the United States Mail, postage prepaid, addressed to the parties listed on Exhibit A to the Application.

By: _____
Andrew A. Bremner

Subscribed and sworn to before me this ____ day of February, 2010.

Witness my hand and official seal.

My commission expires:

Notary Public

EXHIBIT A

Consenting

Marty L. & Betsy A. Barnett
PO Box 216
1104 Luther
Eads, CO 81036-0216

Leonard M. Davis
1505 Flynn Lane
Dillon, MT 59725

Sandy S. & Ronald W. Selph
10407 N. 47th Drive
Glendale, AZ 85302

Troy L. & Barbara Davis
% Rafter T Ranch LLC
26351 N Hwy 281
Stephenville, TX 76401

Randy T. Wright
aka Randy T. Andrews
4 Harbor Road
Dayton, NV 89403

C. Stanley & Debbie Kirby
9052 N. Kirby Lane
Fair Grove, MO 65648

Non- Consenting

Curtis C. Kirby Trust
Antoinette Lilley, Successor Trustee
1405 E. Elm
Republic, MO 65738