

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

AUGUSTUS ENERGY PARTNERS, LLC'S
THIRD AMENDED VERIFIED APPLICATION
FOR AN ORDER CREATING A 320 ACRE
STAND-UP DRILLING AND SPACING UNIT,
AND POOLING ALL NON-CONSENTING
INTERESTS IN WELLS DRILLED TO THE
NIOBRARA FORMATION IN THE E½ OF
SECTION 12, TOWNSHIP 1 SOUTH, RANGE 46
WEST, 6TH P.M., YUMA COUNTY,
COLORADO

CAUSE NO: 538

DOCKET NO: 1201-UP-01

THIRD AMENDED VERIFIED APPLICATION

COMES NOW the Applicant, Augustus Energy Partners, LLC, by its attorneys, Scott M. Campbell and Jeremy I. Ferrin, Poulson, Odell & Peterson, LLC, and makes application to the Oil and Gas Conservation Commission of the State of Colorado for an Order creating an approximate 312.5 acre stand-up drilling and spacing unit for the drilling of up to eight (8) wells to the Niobrara Formation; and pooling all non-consenting interests in all wells drilled or to be drilled to the Niobrara Formation in the below described lands. In support thereof, Applicant states as follows:

1. That Applicant is a corporation duly authorized to conduct business in the State of Colorado.

2. That Applicant desires to create an approximate 312.5 acre drilling and spacing unit, for the drilling of up to eight (8) optional wells to the Niobrara Formation, and to pool all interests therein, in the following described lands, located in Yuma County, Colorado:

Township 1 South, Range 46 West, 6th P.M.

Section 12: E½

containing 312.5 acres, more or less

(the "Application Lands"). The Applicant Lands are located in an irregularly sized section. (Exhibit "B").

3. Applicant is the working interest owner under most, but not all, of the Application Lands. A reference map is attached as Exhibit "C".

4. The Application Lands are unspaced and subject to Commission Rule 318.b. which requires that wells **drilled to less than a depth of two thousand five hundred (2,500) feet below the**

surface shall be located not less than two hundred (200) feet from any lease line, and not less than three hundred (300) feet from any other producible oil or gas well, or drilling well, in said source of supply, unless authorized by order of the Commission upon hearing.

5. The Application Lands are located amongst lands in the area subject to Commission Rule 318B which creates special well location rules for certain lands located in Yuma and Phillips Counties, Colorado, for the drilling of wells to the Niobrara Formation. See Rule 318B.a. which covers Township 1 South, Range 45 West, 6th P.M.: Sections 3-5; Township 1 South, Range 46 West, 6th P.M.: Sections 4-9, and 16-36.

6. As to the Application Lands, geological studies, and geological and engineering information obtained in the drilling and producing of wells located in the general area, demonstrate that up to eight (8) wells drilled to the Niobrara Formations may produce oil and associated hydrocarbons in economic volumes on a 312.5 acre drilling and spacing unit basis.

7. Applicant requests the Commission to create an approximate 312.5 acre drilling and spacing unit, for the drilling of up to eight (8) wells to the Niobrara Formation, in order to prevent waste, protect correlative rights, and assure the greatest ultimate recovery of hydrocarbons.

8. Applicant further requests that the Commission establish well location and setback rules similar to those established by Commission Rule 318B.a. More specifically, Applicant requests the following well location and setback rules:

- (a) Four (4) Niobrara Formation wells may be drilled in any quarter section;
- (b) No minimum distance shall be required between wells producing from the Niobrara Formation;
- (c) Wells shall be located no closer than **200 feet** from the exterior boundaries the 312.5 acre drilling and spacing unit, **as currently required by Commission Rule 318.b;** and
- (d) That the surface location may be located anywhere on the Application Lands.

9. Applicant has so far been unable to obtain 100% consent to voluntary pooling by all net revenue interests owners in the Application Lands. As a result, it is necessary and proper for Applicant to also request that the interests of those net revenue interest owners which have not agreed to such voluntary pooling be involuntarily pooled pursuant to C.R.S. § 34-60-116 of the Colorado Oil and Gas Conservation Act.

10. That with respect to those net revenue interest owners which would participate in production from the anticipated well or wells, Applicant has made and continues to make reasonable attempts pursuant to Commission Rule 530.b. to enter into leases with such parties but has so far been

unsuccessful in such attempts. These unleased mineral owners are more specifically identified on Exhibit "A" attached hereto. As of the date hereof, those owners either elected not to participate in such drilling and completion, or to lease their interests, or have not responded to the correspondence from Applicant making such offers.

11. That in order to prevent waste, protect correlative rights and in the best interests of conservation, all mineral interests or working interests owned by those owners listed on Exhibit "A" should be pooled in accordance with C.R.S. § 34-60-116 and Commission Rule 530, as to all wells drilled or to be drilled to the Niobrara Formation in the Application Lands.

12. Pursuant to Commission Rule 503(d), within seven (7) days of the filing of this **Third Amended** Application, the Applicant shall submit a Certificate of Service to the Commission demonstrating that the Applicant served a copy of the **Third Amended** Application on all persons entitled to Notice, as listed on Exhibit "A" by mailing a copy thereof, first-class postage prepaid, to the last known mailing address of the interested parties. Applicant shall simultaneously submit said list of interested parties to the Commission via electronic media.

WHEREFORE, Applicant respectfully requests that this matter be set for hearing in January, 2012, that notice be given as required by law, and that upon such hearing this Commission enter its order consistent with Applicant's proposals as set forth above.

DATED: December 22, 2011.

Augustus Energy Partners, LLC

By: _____

Scott M. Campbell

Jeremy I. Ferrin

POULSON, ODELL & PETERSON, LLC

1775 Sherman Street, Suite 1400

Denver, Colorado 80203

Telephone: (303) 861-4400

Facsimile: (303) 861-1225

VERIFICATION

STATE OF COLORADO)
)
) ss.
COUNTY OF)

Joseph Owen, of lawful age, being first duly sworn upon oath, deposes and says that he is Vice President-Land for Augustus Energy Partners, 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.

AUGUSTUS ENERGY PARTNERS, LLC

By: _____
Joseph Owen, Vice President-Land

Subscribed and sworn to before me this 22nd day of November, 2011.

Witness my hand and official seal.

My commission expires: _____.

Notary Public

EXHIBIT A
Attached to and made a part of the
Verified Application of Augustus Energy Partners, LLC
Docket No. 1201-UP-01

Scott M. Campbell
Poulson Odell & Peterson LLC
1775 Sherman Street, Suite 1400
Denver, CO 80203

Joseph Owen, Vice President Land
Augustus Energy Partners, LLC
P.O. Box 250
Wray, CO 90758

(546.0

Linda Briggs, Local Government Designee
Yuma County
310 Ash Street, Suite A
Wray, CO 80758

Department of Wildlife
Denver Service Center/NE/4 Region Office
Attn: Celia Greenman
6060 Broadway
Denver, CO 80216

(546.0

(AC

Colorado Department of Public Health &
Environment
Attn: Kent Kuster
4300 Cherry Creek Drive South
Denver, CO 80246-1530

(546.0

(AC

LEASED MINERAL OWNERS

Emma C. Conron Family Trust of
5/26/1987
c/o Angus D. Crites, Trustee
414 Mt. Lowe Drive
Bakersfield, CA 93309

A. William Craig & Martha Helm Craig
Living Trust Dated January 10, 1994
William Craig & Martha Helm Craig, Co-
Trustees
447 E Hillcrest Ave
Fresno, CA 93720

Pariset Farm LLLP
27905 County Road U
Eckley, CO 80727

Petrini Family Trust Dated January 26,
1988
c/o John & Janice Petrini, Co-Trustees
8705 Antibes Way
Bakersfield, CA 93311

Joseph C. Petrini
713 San Vincente Avenue
Salinas, CA 93901

A. William Craig & Martha Helm Craig, Co-
Trustees of the A. William Craig & Martha Helm
Craig Living Trust Dated January 10, 1994
c/o Mary Helm Mason
750 E. Alamos
Fresno, CA 93704

PRB Partnership
c/o Fred Ellsworth Borton II, Managing
Partner
P.O. Box 9663
Bakersfield, CA 93389

Margery Helm McFarland Revocable
Trust of 1998
4355 Shadowbrook Court
Fort Collins, CO 80526
(Address)

(546.0

(

The Mason Family Living Trust of
1-10-1994
c/o Mary Helm Mason, Trustee
750 East Alamos
Fresno, CA 93704

3MB Oil & Gas, LLC
c/o Mark McKeon Sumph, Manager
19452 Sierra Lago
Irvine, CA 92603
(Address)

(546.0

Katherine Helm Hudnall
4119 Moss Creek Drive
Fort Collins, CO 80526

Doris Elizabeth Sumpf Plaut a/k/a
Elizabeth S. Plaut
P.O. Box 2655
Estes Park, CO 80517
(Address)

(546.0

Jon Wallace Upton & Hildegard Sumpf
Upton Living Trust
2555 West Bluff, Unit #144
Fresno, CA 93711

Lyle J. Humphrey
28095 County Road U
Eckley, CO 80727
(Address)

(546.0

Robert Wallace Helm
865 Arcadia Avenue, Apt A
Arcadia, CA 91007

Laurie Sumpf Crosbie
15850 Coyote Hills Lane
(Address)
Prather, CA 93651

(546.0

Edward and Nancy Easton Revocable
Trust
Dated November 8, 2001
c/o Nancy Easton, Trustee
2942 Burton Drive
Cambria, CA 93428

Barbara E. Hann
3801 Lillian Way
Bakersfield, CA 93309
(Address)

(546.0

(

UNLEASED MINERAL OWNERS

Hardy Family Trust dated May 23, 1989
c/o Samuel P. Hardy, Trustee
9242 North Concord Drive
Fresno, CA 93720

Nancy H. Helm
2190 West Via Cipressi
Fresno, CA 93711

Alexandra Squires
10549 Pinyon Avenue
Tujunga, CA 91042

Burton A. Ellison (Deceased) &
Mona Ellison, H/W
101 Starmount Lane
Bakersfield, CA 93309

B.R. Ellison
101 Starmount Lane
Bakersfield, CA 93309

Dana L. (Ellison) Johnson &
Scott M. Johnson, H/W
5612 Murifield Drive
Bakersfield, CA 93306

Jeanine Meinzer
6911 Mill Glen Forest Ct.
Bakersfield, CA 93313

Donald L. Ellison
2227 Orchard Park Drive
Spring Hill, FL 34608

Burton R. Ellison &
Chantal T. Ellison
P.O. Box 12164
Bakersfield, CA 93389

Mona Ellison
101 Starmount Lane
Bakersfield, CA 93309

Donald R. Ellison
250 Tuxedo
San Antonio, TX 78209

Burton A. Ellison
101 Starmount Lane
Bakersfield, CA 93309

WORKING INTEREST OWNER

Warren Resources #1, LLC
1899 W. Littleton Blvd.
Littleton, CO 80120

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

AUGUSTUS ENERGY PARTNERS, LLC'S
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SECTION 12, TOWNSHIP 1 SOUTH, RANGE
46 WEST, 6TH P.M., YUMA COUNTY,
COLORADO

CAUSE NO: 538
DOCKET NO: 1201-UP-01

AFFIDAVIT OF MAILING

STATE OF COLORADO)
) ss.
COUNTY OF DENVER)

Scott M. Campbell, states and declares that he is the attorney for Augustus Energy Partners, LLC, Applicant herein; that on December __, 2011, he caused a copy of the attached **Third Amended** Application to be deposited in the United States Mail, postage prepaid, addressed to each of the parties

listed on Exhibit “A” to the Application.

POULSON, ODELL & PETERSON, LLC

By: _____

Scott M. Campbell

Jeremy I. Ferrin

1775 Sherman Street, Suite 1400

Denver, Colorado 80203-4319

Telephone: (303) 861-4400

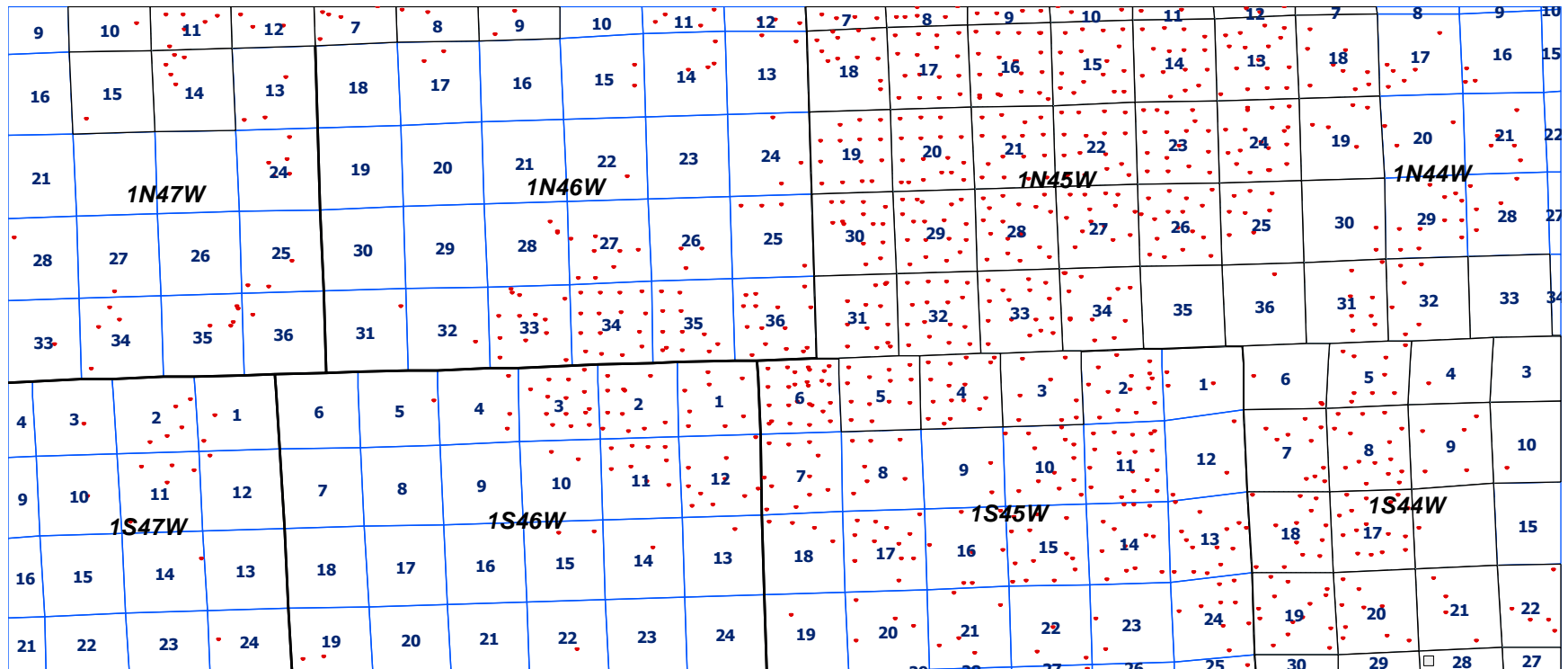
Facsimile: (303) 861-1225

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Exhibit B
 Verified Application
 of Augustus Energy
 11/22/2011

12-1S-46W



<p>AUGUSTUS ENERGY PARTNERS, LLC'S THIRD AMENDED VERIFIED APPLICATION FOR AN ORDER CREATING A 312.5 ACRE STAND-UP DRILLING AND SPACING UNIT, AND POOLING ALL NON-CONSENTING INTERESTS IN WELLS DRILLED TO THE NIOBRARA FORMATION IN THE E½ OF SECTION 12, TOWNSHIP 1 SOUTH, RANGE 46 WEST, 6TH P.M., YUMA COUNTY, COLORADO</p>	<p>CAUSE NO: 538</p> <p>ORDER NO:</p> <p>DOCKET NO: 1201-UP-01</p>
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STATE OF COLORADO)
) ss.
COUNTY OF DENVER)

That he is the attorney for Augustus Energy Partners, LLC, Applicant herein; that on December 27, 2011, he caused a copy of the attached **Third Amended** Verified Application to be deposited in the United States Mail, postage prepaid, addressed to each of the parties listed on Exhibit "A" to the Application.

By: _____
Scott M. Campbell
Jeremy I. Ferrin
1775 Sherman Street, Suite 1400
Denver, Colorado 80203-4319
Telephone: (303) 861-4400
Facsimile: (303) 861-1225