

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

IN THE MATTER OF THE APPLICATION OF )	
GREAT WESTERN OIL AND GAS COMPANY, )	
LLC FOR AN ORDER POOLING )	Cause No.
NONCONSENTING INTERESTS IN THE CODELL )	
AND NIOBRARA FORMATIONS IN THE )	Docket No.
GREATER WATTENBERG AREA, WELD )	
COUNTY, COLORADO )	

APPLICATION

Great Western Oil and Gas Company, LLC as the sole Manager ("Applicant"), by and through its undersigned counsel, requests the Oil and Gas Conservation Commission of the State of Colorado ("COGCC"), enter an order pooling all non-consenting interests for the Lamb 33-53 for production from the Codell and Niobrara formations. In support thereof, the Applicant states as follows:

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

2. Applicant owns working interests in the following described lands ("Application Lands") located in the Greater Wattenberg Area as defined in COGCC Rule 318A(I):

Township 7 North, Range 65 West, 6<sup>th</sup> P.M.  
Section 33: SW¼  
Weld County, Colorado

3. Applicant spudded the Lamb 33-53 Well ("Well") on May 22, 2011 as a Vertical well with a surface and bottom hole location of 1434 feet FSL and 1536 feet FWL in the Application Lands of the same section. The Well has been completed in and produces from the Codell and Niobrara formations.

4. The Application Lands are subject to COGCC Rule 318A(I)a.4.C.

5. The well was drilled within the designated drilling window under Rule 318A(I)a.4 and Applicant designated the SW1/4 of Section 33 as spacing unit for the Well.

6. Applicant, pursuant to provisions of C.R.S. §34-60-116(6) and (7) and COGCC Rule 530 seeks an order to involuntarily pool all interests not voluntarily pooled for the development of the Niobrara formation in the Application Lands.

7. Applicant requests COGCC's pooling order be made retroactive to the earliest date costs are incurred for the Well as allowed by C.R.S. §34-60-116(7), or the date of this application, whichever is earlier.

8. The names and last known addresses of the interest owners in the Application Lands are shown in Exhibit A to this application. Applicant certifies that, at least 30 days prior to the hearing on this matter, each such interest owner not already leased or pooled has been offered the opportunity to lease their interest or to participate in the drilling of the Well, and has been provided with the information required by COGCC Rule 530.

9. With respect to each Unleased Mineral Owner listed in Exhibit A, Applicant has made reasonable attempts pursuant to COGCC Rule 530.b. to enter into leases or participation agreements with such parties but has been unsuccessful in such attempts. An Authorization for Expenditure ("AFE") for the Well containing information required by COGCC Rule 530.a. was sent to each Unleased Mineral Owner more than 30 days prior to the date of the hearing on this Application. An example of such AFE and letter is attached hereto as Exhibit B.

10. In order to prevent waste, protect correlative rights and in the best interests of conservation, all interests in the Codell and Niobrara formations in the Wellbore Spacing Unit owned by the Unleased Mineral Owners listed on Exhibit A should be pooled in accordance with C.R.S. § 34-60-116 and Rule 530 of the COGCC.

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

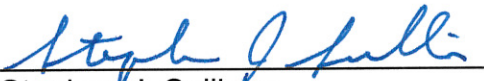
A. Involuntarily pooling all interest owners with whom Applicant has been unable to secure a lease or participation agreement with respect to the drilling and completion of the Well in the Niobrara formation in the Wellbore Spacing Unit, and that such owners be treated as non-consenting owners under C.R.S. § 34-60-116 and made subject to the terms and penalties provided for therein.

B. Establishing that COGCC's order made with respect to this application is retroactive to the earliest date costs are incurred for the Well as allowed by C.R.S. §34-60-116(7), or the date of this application, whichever is earlier.

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

DATED this 20th day of June, 2012.

Respectfully submitted,  
WELBORN SULLIVAN MECK & TOOLEY, P.C.

By:   
Stephen J. Sullivan  
1125 17<sup>th</sup> Street, Suite 2200  
Denver, CO 80202  
(303) 830-2500  
ssullivan@wsmtlaw.com

Applicants' Address:  
Great Western Oil and Gas Company, LLC  
1700 Broadway, Suite 650  
Denver, CO 80290

VERIFICATION

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

The undersigned, of lawful age, having been first sworn upon his oath, deposes and states that:

1.     He is a Petroleum Landman for Great Western Oil and Gas Company, LLC whose address is 1700 Broadway, Suite 650, Denver, CO 80290.

2.     He has read the within application, is familiar with the facts set forth therein, and states that said facts are true and correct to the best of his knowledge and belief.

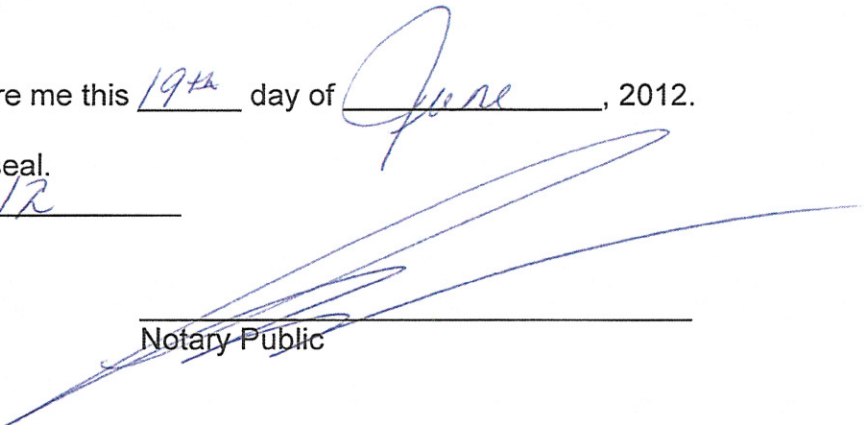
Further Affiant sayeth not.

  
Santiago Rodríguez

Subscribed and sworn to before me this 19<sup>th</sup> day of June, 2012.

Witness my hand and official seal.  
My commission expires: 9/12



  
Notary Public

**EXHIBIT "A"**  
**TO**  
**APPLICATION OF GREAT WESTERN OIL AND GAS COMPANY LLC**

**Interested Parties in the W½SW¼ of Section 33, Township 7 North, Range 65 West**

**Applicant:** Great Western Oil and Gas Company, LLC  
1700 Broadway, Suite 650  
Denver, CO 80290

**Applicant's Attorney:** Stephen J. Sullivan, Esq.  
Wellborn Sullivan Meck & Tooley, P.C.  
1125 17<sup>th</sup> Street, Ste. 2200  
Denver, CO 80202

**Local Government Designee:** Bruce T. Barker, Esq.  
Weld County Commissioner Office  
P.O. Box 758  
Greeley, CO 80634

**Leased Mineral Owners:** Mark D. & Joyce A. Drescher  
20184 Leola Way  
Eaton, CO. 80615

Daniel T. & Teri E. Foster.  
36329 Appy Rd. 65  
Eaton, CO. 80615

Norman H. & Rosemarie Laber  
36127 Appy Rd.  
Eaton, CO. 80615

Bradley M. Roder  
20195 Leola Way  
Eaton, CO. 80615

Leonard & Janice J. Thorbjornson  
20085 WCR 74  
Eaton, Co. 80615

Clifford Clift  
2001 Fern Ave.  
Greeley, CO. 80631

Paul Clift  
P.O. Box 4016  
Breckenridge, CO. 80424

Kurt A. & Elaine Marjorie Peterson  
36151 Appy Rd.  
Eaton, CO. 80615

Timothy Eugene & Geri D. Phagan  
36301 Appy Rd.  
Eaton, CO. 80615

Scott & Tammy Girten  
20202 Leola Way  
Eaton, CO. 80615

James Edwards & Pamela Mae Dorland  
20198 Leola Way  
Eaton, CO. 80615

David L. & Leslie L. Brantner  
20205 Leola Way  
Eaton, CO. 80615

Jeffrey C. & Krista L. Smith  
36207 Appy Rd.  
Eaton, CO. 80615

Nathan R. Weibel  
20207 Leola Way  
Eaton, CO. 80615

Harder Building and Development, Inc.  
5164 Shavano Ct.  
Windsor, CO. 80550-2584

Advantage Bank  
4290 W. 10<sup>th</sup> Street, Ste. 110  
Greeley, CO. 80634

David R. & Melody A. Brown  
35361 Appy Rd.  
Eaton, CO. 80615

Joseph R. & Bonnie Abernathy  
20201 Leola Way  
Eaton, CO. 80615

Daniel R. & Andrea M. Dirksen  
20204 Leola Way  
Eaton, CO. 80615

Kelly E. & Susan E. Lacy  
36375 Appy Rd.  
Eaton, CO. 80615

Scott Hanneman  
20186 Leola Way  
Eaton, CO. 80615

Kimberly K. Winck  
20187 Leola Way  
Eaton, CO. 80615

Kenneth G. & Sandra E. Curtis  
20192 Leola Way  
Eaton, CO. 80615

Donald R. & Joni M. Struppler  
20185 Leola Way.  
Eaton, CO. 80615

Gail S. Robinson  
36169 Appy Rd.  
Eaton, CO. 80615

Brian G. Lesh  
15985 Road 41  
Sterling, CO. 80751

Jeffrey A. & Trisha S. Koeltzow  
20199 Leola Way  
Eaton, CO. 80615

Douglas A. Lesh  
6 Lazy W Road  
Fountain, CO. 80817

Joanne L. Gilbaugh  
305 Cobble Dr.  
Windsor, CO. 80550

Gary L. & Mary A. Hazen  
20411 WCR 76  
Eaton, CO. 80615-9200

Ronald L. & Laurretta Anderson  
14886 WCR 74  
Eaton, CO. 80615

Carol Louise Anderson Honstein  
4545 Wheaton Dr., Unit D-150  
Ft. Collins, CO. 80525

Earl C. & Lucille Bowsby  
95 North Shore Circle  
Murray, KY. 42071

Richard A. & Dixie Bloom  
927 Emerson Ave.  
Alliance, NE. 69301

Darrell W. & Lynn R. Anderson  
856 S. Quivas  
Denver, CO. 80223

Janice E. Anderson  
1215 Honeysuckle Ct.  
Windsor, CO. 80550

Heather L. Anthony  
1215 Honeysuckle Ct.  
Windsor, CO. 80550

Joyce Elaine Anderson Heimbickner  
12933 Columbine Dr.  
Longmont, CO. 80501

Tamera S. & James D. Waymire  
36524 WCR 41  
Eaton, CO. 80615

Dorothy Paxton  
36620 WCR 41  
Eaton, CO. 80615

**Unleased Mineral Owners:**

Pioneer Developers, LLC  
C/O Thomas K. Wilson, manager  
1525 Pelican Lakes PT Unit A  
Windsor, CO. 80550-6219

Lori K. & Randall R. Craddock  
36103 Appy Rd.  
Eaton, CO. 80615

Edward L. & Lois I. Nestor  
36245 Appy Rd.  
Eaton, CO. 80615

Juan Rodriguez  
20035 CR 74  
Eaton, CO. 80615

**Leasehold Owners:**

Canamex, LLC  
1700 Broadway, Suite 650  
Denver, CO 80290

Petroleum Development Corporation  
1775 N. Sherman St., Ste. 3000  
Denver, CO. 80203-4341

**EXHIBIT "B"**  
**TO**  
**APPLICATION OF GREAT WESTERN OIL AND GAS COMPANY LLC**  
**Authorization for Expenditure**



1700 Broadway  
Suite 650  
Denver, Colorado 80290



Santiago Rodriguez  
Petroleum Landman  
Tel: 303.398.0596  
Fax: 1.866.776.1057  
E-mail:  
srodriguez@gwogco.com

March 28, 2012

Joanne L. Gilbaugh  
305 Cobble Dr.  
Windsor, CO. 80550

*USPS CERTIFIED MAIL*  
Tracking #7008 1830 0000 5318 5731

RE: **OIL & GAS LEASE: WELD COUNTY, COLORADO**  
Township 7 North, Range 65 West, 6<sup>th</sup> P.M.  
Section 33: GA-1 Lot 1, GA-2 Lot 2, GA-10 Lot 10 & GA-14 Lot 14 Gilbaugh's Appaloosa Acres  
2<sup>nd</sup> Replat, being a part of the W $\frac{1}{2}$ SW $\frac{1}{4}$ .  
*Containing 3.0308 gross acres and 3.0308 net acres,  $\pm$ .*

Dear Ms. Gilbaugh:

I am writing to inform you that the 3.0308 mineral acres owned by Ms. Joanne L. Gilbaugh in the above described is included in the Spacing Units for the Appaloosa 33-13, 33-14 and the Lamb 33-53 wells. Great Western Oil and Gas Company, LLC ("GWOG") has drilled and completed said wells in the fourth quarter of 2010 at the locations specified on Exhibit A, and as such, you own a share of the oil and gas produced from said wells. You have multiple options in regards to these wells:

1. Lease your mineral interest to GWOG and receive a royalty on production.
2. Participate as our partner by paying your share of the estimated drilling & completion costs.
3. Do nothing and allow the State of Colorado to force pool your oil and gas rights.

To date I have not received your signed oil and gas lease that I sent to you on November 18, 2011; so I am required by Colorado Statute **§34-60-116(7) (d), C.R.S.** to inform you that the Appaloosa 33-13, 33-14 and Lamb 33-53 wells have been drilled to an approximate depth of 7,500 feet, or deep enough to test the Codell and Niobrara formations, for an estimated cost of \$699,019.00 per Appaloosa well, and \$621,469.00 for the Lamb 33-53 well. Enclosed herewith are GWOG's AFEs for your review and approval. Your estimated ownership and share of the expense to drill & complete each well is listed on Exhibit A. If you elect to participate, please indicate your election on the enclosed page and return the signed copy in the envelope provided, along with the signed AFEs; the extra copies are for your records. I will send our Joint Operating Agreement for your review and execution if you elect to participate.

Our offer to lease your mineral interest for \$200.00 per net mineral acre, 18.5% royalty, with a three year primary term still stands. If you do not wish to lease or participate in the drilling of said wells, please be advised that you will be named in the application for force pooling which I am prepared to file with the Colorado Oil and Gas Conservation Commission. If you have any questions, please contact me at (303) 398-0596 or email me at srodriguez@gwogco.com. Thank you for your time into this matter.

Best Regards,  
Great Western Oil and Gas Company, LLC

Santiago Rodriguez  
Petroleum Landman

March 28, 2012

RE: Election Letter – **Appaloosa 33-13, 33-14 & Lamb 33-53 Wells**  
T7N-R65W Section 33: W½SW¼ & SW¼, 6<sup>th</sup> P.M. Weld County, CO.

Dear Working Interest Owner:

Pursuant to that certain well proposal letter for the above captioned wells, please circle one of the following:

In response to GWOG's drilling proposal in the above described, Joanne L. Gilbaugh, Individually and as Trustee of the Ivan Gilbaugh Family Trust, hereby elects to \_\_\_\_\_ **participate**, \_\_\_\_\_ **not participate** in drilling and completing the **Appaloosa 33-13 well**.

In response to GWOG's drilling proposal in the above described, Joanne L. Gilbaugh, Individually and as Trustee of the Ivan Gilbaugh Family Trust, hereby elects to \_\_\_\_\_ **participate**, \_\_\_\_\_ **not participate** in drilling and completing the **Appaloosa 33-14 well**.

In response to GWOG's drilling proposal in the above described, Joanne L. Gilbaugh, Individually and as Trustee of the Ivan Gilbaugh Family Trust, hereby elects to \_\_\_\_\_ **participate**, \_\_\_\_\_ **not participate** in drilling and completing the **Lamb 33-53 well**.

In response to GWOG's drilling proposal in the above described, Joanne L. Gilbaugh, Individually and as Trustee of the Ivan Gilbaugh Family Trust, hereby elects to \_\_\_\_\_ **divest** its' interest in the above described wells and the associated spacing units.

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2012.

Joanne L. Gilbaugh

By: \_\_\_\_\_

Name: \_\_\_\_\_

Joanne L. Gilbaugh, Trustee of the Ivan Gilbaugh Family Trust

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Exhibit "A"  
To Drilling Proposal Letter dated March 28, 2012  
T7N-R65W-Section 33: W½SW¼ & SW¼  
Weld County, Colorado

**Appaloosa 33-13**

Surface Hole Location = 1455' FSL & 1536' FWL  
Bottom Hole Location = 1901' FSL & 658' FWL  
Spacing Unit: W½SW¼, containing 79.4247 acres, ±.  
Your combined ownership: 3.815942% W.I.  
Your Cost to drill and complete: \$26,674.16

**Appaloosa 33-14**

Surface Hole Location = 1415' FSL & 1536' FWL  
Bottom Hole Location = 631' FSL & 661' FWL  
Spacing Unit: W½SW¼, containing 79.4247 acres, ±.  
Your combined ownership: 3.815942% W.I.  
Your Cost to drill and complete: \$26,674.16

**Lamb 33-53**

Surface and Bottom Hole = 1434' FSL & 1536' FWL  
Spacing Unit: SW¼, containing 159.4247 acres, ±.  
Your combined ownership: 1.901086% W.I.  
Your cost to drill and complete: \$11,814.66

**Total Drilling and Completion Cost: \$65,162.98**

**Great Western Oil and Gas Company**  
**Authorization For Expenditure - Drilling and Completion**

**Well Name:** Lamb 33-53  
**Field:** Wattenberg  
**Location:** T3-7n, R63-67w  
**Total Depth:** 6800 - 7500

**County:** Weld  
**State:** CO

**Straight Hole Wells 2011**

**Original Preparation Date:** 5/17/2011

**Revision Preparation Date:**

New Codell/Niobrara

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WATTENBERG

denotes change from previous

CODE	TERM	FL	S/FL	VENDOR	MATERIALS	LABOR	TOTAL	CODE
<b>DRILLING</b>								
106	Compliance & Environmental Management				\$0	\$500	\$500	106
108	Legal (DTO and DOTO)				\$0			108
110	Federal and State Permits and Fees				\$0	\$200	\$200	110
111	Land and USR			Crews&Zeren	\$0	\$0	\$0	111
	Geological Fee				\$0	\$0	\$0	
114	Staking			Powers Surveying	\$0	\$750	\$750	114
116	Temp.Road/CAT/Grader			M&M	\$0	\$0	\$0	116
118	Build Location,			M&M	\$0	\$7,000	\$7,000	118
119	Contract Labor			Longhorn	\$0	\$0	\$0	119
120	Temp Equipment (Culverts, Fence, etc.)			Longhorn	\$0	\$200	\$200	120
121	Conductor Casing				\$0	\$0	\$0	121
122	Surface Damage Payments				\$0	\$4,000	\$4,000	122
123	Right of Way Fees				\$0	\$0	\$0	123
124	Crop Damage Payments				\$0	\$0	\$0	124
125	Drilling Rig Mobilization,			Ensign	\$0	\$15,000	\$15,000	125
126	Drilling Rig (Turnkey)			Ensign	\$0	\$106,500	\$106,500	126
127	Drilling Rig (Daywork)			Ensign	\$0	\$0	\$0	127
128	Surface Casing (8 5/8" 24#)			CTAP / WB		\$0	\$0	128
129	Drilling Rig (Footage)			Ensign		\$0	\$0	129
130	Transportation				\$0	\$0	\$0	130
131	Intermediate Casing				\$0	\$0	\$0	131
132	Cement/Float Equip.			Halliburton / BJ Services	\$0	\$0	\$0	132
133	Drill String Rentals				\$0	\$0	\$0	133
134	Drilling Water		0.75	Basic	\$7,000	\$0	\$7,000	134
135	Surf Equipment Rental (Camp, Solids Equip, Etc.)					\$18,000	\$18,000	135
136	Drilling Fluids/Chemicals			Imperial		\$0	\$0	136
137	Bits			Ensign	\$0	\$0	\$0	137
138	Casing Crew			Ensign	\$0	\$6,500	\$6,500	138
139	Fishing				\$0	\$0	\$0	139
140	Geologist/Mudlogger				\$0	\$1,500	\$1,500	140
141	Communications				\$0	\$0	\$0	141
142	Open Hole Logging			PSI	\$0	\$5,000	\$5,000	142
143	Potable Water				\$0	\$0	\$0	143
144	Coring/Drill Stem Testing				\$0	\$0	\$0	144
145	Misc. Supplies				\$0	\$0	\$0	145
146	Drilling Mud Hauling			Integrity	\$0	\$6,000	\$6,000	146
147	Miscellaneous-mud motor				\$0	\$0	\$0	147
148	Trash Hauling/Sanitation			Miller	\$0	\$0	\$0	148
149	Drilling Supervision			JLJ	\$0	\$1,250	\$1,250	149
150	Plug and Abandon			Halliburton	\$0	\$0	\$0	150
151	Directional Drilling			Ensign	\$0	\$0	\$0	151
152	Backfill Location,			M&M	\$0	\$0	\$0	152
	<b>TOTAL DRILLING COSTS:</b>				<b>\$7,000</b>	<b>\$172,400</b>	<b>\$179,400</b>	
<b>COMPLETION</b>								
201	Project Management				\$0	\$0	\$0	201
202	Production Casing (2%/10days)	7,200	9.67	Colo Tubular / WB	\$68,232	\$0	\$68,232	202
204	Casing Freight			Adams	\$0	\$0	\$0	204
206	Pup Joints				\$1,500	\$0	\$1,500	206
208	Casing Head and Fittings			WB	\$750	\$0	\$750	208
210	Tubing (2 3/8ths J-55 new) (2%/10days)	7,100	4.25	Colo Tubular / WB	\$30,175	\$0	\$30,175	210
212	Tubing Freight			RMI	\$0	\$0	\$0	212
214	Blast Joint				\$0	\$0	\$0	214
216	Tubing Head/Tree & Fittings			WB	\$1,500	\$0	\$1,500	216
218	Tubing Head Labor				\$0	\$500	\$500	218
219	Miscellaneous Equipment Transportation				\$0	\$0	\$0	219
220	Casing Crew	7,450		Kimzey	\$0	\$0	\$0	220
222	Cementing/Float Equipment			Halliburton/ BJ	\$0	\$18,000	\$18,000	222
224	Bond/Prod Logging, Perforating, WL Work			Bran-Dex	\$0	\$14,500	\$14,500	224
226	Reservoir Testing			Cable	\$0	\$0	\$0	226
228	Pressure Testing/Circulating			HS	\$0	\$500	\$500	228
230	Completion Fluids			KCI	\$0	\$5,000	\$5,000	230
232	Completion Rig & Accessories			Ensign / ECWS	\$0	\$15,000	\$15,000	232
234	Tool Rental			Weatherford	\$0	\$1,500	\$1,500	234
236	Rental Frac/Flowback Tanks	18	780.00	A&W / Key	\$0	\$14,040	\$14,040	236
237	Communications				\$0	\$0	\$0	237
238	Tank Cleaning			Leed/Rainbow	\$0	\$600	\$600	238
240	Tank Hauling			Key / Leed	\$0	\$1,000	\$1,000	240
242	Purchase & Haul Frac Water			A&W	\$0	\$5,000	\$5,000	242
244	Haul Excess Frac Water			KPK	\$0	\$0	\$0	244
246	Heat Water			Leed	\$0	\$6,000	\$6,000	246

**Great Western Oil and Gas Company**  
**Authorization For Expenditure - Drilling and Completion**

**Well Name:** Lamb 33-53  
**Field:** Wattenberg  
**Location:** T3-7n, R63-67w  
**Total Depth:** 6800 - 7500

**County:** Weld  
**State:** CO

**Straight Hole Wells 2011**

**Original Preparation Date:** 5/17/2011

**Revision Preparation Date:** \_\_\_\_\_

New Codell/Niobrara  
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**WATTENBERG**

denotes change from previous

CODE	TERM	FT	\$/FT	VENDOR	MATERIALS	LABOR	TOTAL	CODE
248	Breakdown				\$0	\$0	\$0	248
250	Fracture Codell and Niobrara			Halliburton/Calfrac	\$0	\$125,000	\$125,000	250
252	Water Disposal Charge	1000	0.55	Conquest	\$0	\$550	\$550	252
254	Flowback Water/Completion Fluid Hauling		1.10	Northern Plains	\$0	\$1,200	\$1,200	254
256	Flowback (Build/Tear Apart)			Longhorn	\$0	\$225	\$225	256
257	Contract Labor			Longhorn	\$0	\$1,000	\$1,000	257
258	Miscellaneous Equipment Rental/Services				\$0		\$0	258
259	Completion Supervision			JLJ	\$0	\$3,250	\$3,250	259
286	CAT/Grader			M&M	\$0		\$0	286
298	Subsurface Equipment				\$0	\$0	\$0	298
<b>TOTAL COMPLETION COSTS:</b>					<b>\$102,157</b>	<b>\$212,865</b>	<b>\$315,022</b>	
<b>FINAL INSTALLATION AND SITE PREP</b>								
260	Flowline/Water Disposal Line	150	3.50	WB	\$525	\$0	\$525	260
261	Gas Sales Pipeline				\$0	\$0	\$0	261
262	Flowline/Water Disposal Line Labor	150	5.65		\$0	\$850	\$850	262
263	Gas Sales Pipeline Labor				\$0	\$0	\$0	263
264	Production Tanks/High Profile		8100.00	WB	\$8,100	\$0	\$8,100	264
266	Tank Install./Pad Construction				\$0	\$9,000	\$9,000	266
268	Production Unit			Cimarron/Leed	\$20,000	\$0	\$20,000	268
270	Unit Install./Pad Construction				\$0	\$1,700	\$1,700	270
272	Miscellaneous Pipes and Fittings			WB	\$7,000	\$0	\$7,000	272
274	Intermitter/Plunger Lift/Automation Equipment			PCS/Wellmaster	\$5,000	\$0	\$5,000	274
276	Chemical Pump/Delivery & Install.			WB/Redman		\$0	\$0	276
277	Emissions Control Device				\$10,000	\$0	\$10,000	277
278	Waste Water Tank,			Cimarron	\$2,500	\$0	\$2,500	278
279	Rods, Pump, Misc. (Used)				\$0	\$0	\$0	279
280	Permanent Fences/Guards/Culverts/Bldgs.				\$1,250	\$0	\$1,250	280
281					\$0	\$0	\$0	281
282	Signs			Coverall	\$125	\$0	\$125	282
283	Insulation				\$0	\$0	\$0	283
284	Painting			Coverall, Nail	\$0		\$0	284
288	Permanent Road/Battery Turnaround			M&M	\$0	\$1,500	\$1,500	288
289	Production Equipment Berms/Material			M&M	\$1,000	\$0	\$1,000	289
290	Final/Extraordinary Labor,				\$0	\$1,000	\$1,000	290
291	Environmental Compliance				\$0	\$1,000	\$1,000	291
<b>TOTAL INSTALLATION:</b>					<b>\$55,500</b>	<b>\$15,050</b>	<b>\$70,550</b>	
<b>TOTAL BEFORE CONTINGENCY</b>					<b>\$164,657</b>	<b>\$400,315</b>	<b>\$564,972</b>	
<b>CONTINGENCY</b>								
301	Contingency				\$56,497	\$0	\$56,497	301
302						\$0	\$0	302
<b>TOTAL INSTALLATION:</b>					<b>\$56,497</b>	<b>\$0</b>	<b>\$56,497</b>	
<b>GRAND TOTAL</b>					<b>\$221,154</b>	<b>\$400,315</b>	<b>\$621,469</b>	

*NOTE: The grand total does not reflect the plugging and abandoning cost.*

**PREPARED BY:** Jeff Reale

**Date:** 5/17/11

**APPROVED BY:** \_\_\_\_\_

**DATE:** \_\_\_\_\_

**NON-OPERATOR APPROVAL**

Your signature below acknowledges your acceptance of the above estimate of your commitment to participate as a non-operator in the above well. Costs shown above are estimates only, and do not establish any limit on the monies which will be required to perform the proposed operations.

**APPROVED BY:** \_\_\_\_\_

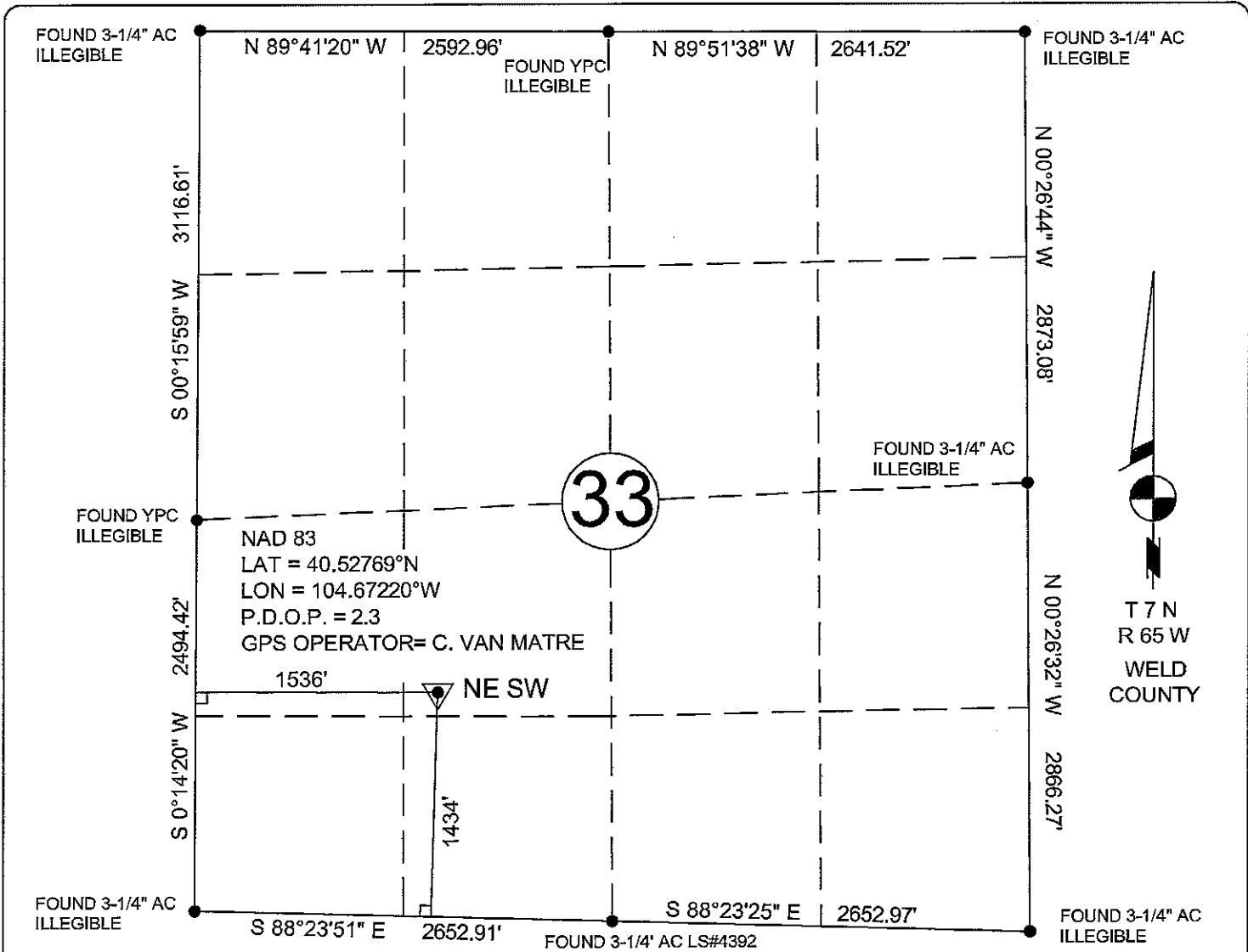
(signature)

**DATE:** \_\_\_\_\_

**NAME:** \_\_\_\_\_

(print or type)

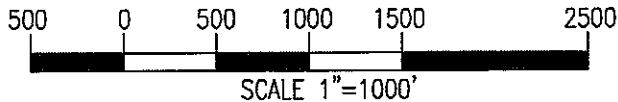
**TITLE:** \_\_\_\_\_



WELL: LAMB 33-53 TO BE LOCATED 1536' FWL AND 1434' FSL IN SECTION 33, TOWNSHIP 7 NORTH, RANGE 65 WEST OF THE 6TH P.M.  
LOCATION FALLS IN: NATURAL GROUND GROUND ELEVATION = 4787' IMPROVEMENTS: PROPOSED WELLS 20' N & 20' S OF LOCATION.

LEGEND:

- SECTION CORNER (AS NOTED)
- ▼ PROPOSED WELL LOCATION



NOTES:

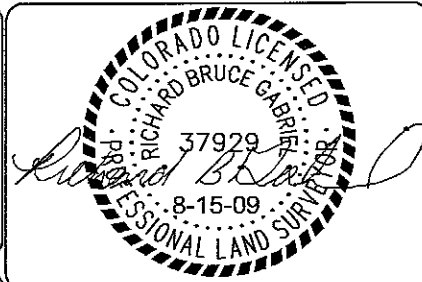
1. THIS SURVEY WAS DONE BY GPS METHODS AND CONFORMS TO THE MINIMUM STANDARDS AS SET BY THE C.O.G.C.C. RULE NO. 215.
2. ELEVATIONS SHOWN AT THE WELL HEAD, AS WELL AS HORIZONTAL CONTROL, ARE BASED ON GPS-RTK VALUES DERIVED FROM DOING 2-HOUR STATIC GPS SESSIONS AND REDUCTIONS USING O.P.U.S. SOLUTIONS.  
VERTICAL = NAVD88 HORIZONTAL = NAD83/92
3. THE BEARINGS AS SHOWN HEREON ARE BASED ON GPS OBSERVATIONS BETWEEN THE MONUMENTS SHOWN HEREON AS FOUND IN THE FIELD DATE BELOW.
4. DISTANCES SHOWN ARE AT GROUND LEVEL, AS MEASURED IN THE FIELD, WITH TIES TO WELLS MEASURED AT A PERPENDICULAR TO SECTION LINES.

I, RICHARD B. GABRIEL, A LICENSED PROFESSIONAL LAND SURVEYOR IN THE STATE OF COLORADO DO HEREBY CERTIFY TO:

**GREAT WESTERN OIL AND GAS COMPANY** THAT THE SURVEY AND WELL LOCATION CERTIFICATE SHOWN HEREON WAS DONE BY ME OR UNDER MY DIRECT SUPERVISION AND THAT THE DRAWING SHOWN HEREON ACCURATELY DEPICTS THE PROPOSED LOCATION OF THE WELL **LAMB 33-53**.  
THIS CERTIFICATE DOES NOT REPRESENT A LAND SURVEY PLAT OR IMPROVEMENT SURVEY PLAT AS DEFINED BY C.R.S. 38-51-102 AND CANNOT BE RELIED UPON TO DETERMINE OWNERSHIP.

RICHARD B. GABRIEL P.L.S. #37929  
COLORADO LICENSED PROFESSIONAL LAND SURVEYOR

NOTICE: ACCORDING TO COLORADO LAW YOU MUST COMMENCE ANY LEGAL ACTION BASED UPON ANY DEFECT IN THIS SURVEY WITHIN THREE YEARS AFTER YOU FIRST DISCOVER SUCH DEFECT. IN NO EVENT MAY ANY ACTION BASED ON ANY DEFECT IN THIS SURVEY BE COMMENCED MORE THAN TEN YEARS FROM THIS SAID DATE OF THIS CERTIFICATION SHOWN HEREON.



120 W. 84TH AVENUE PH. 303-702-1617  
THORNTON, COLORADO 80260 FAX. 303-702-1488  
WWW.POWERSURVEYING.COM

DATE OF FIELD WORK: 9-14-10  
DATE OF COMPLETION: 9-15-10 REV 12-22-10  
PROJECT NUMBER: 501-10-1958