

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

IN THE MATTER OF THE APPLICATION OF)	
EE3 LLC FOR AN ORDER TO VACATE TWO)	
DRILLING AND SPACING UNITS)	Cause No.
ESTABLISHED BY ORDER NO. 531-2 AND)	
ESTABLISH ONE APPROXIMATE 1267.58-)	Docket No.
ACRE DRILLING AND SPACING UNIT AND)	
ESTABLISHING WELL LOCATION RULES)	
FOR THE NIOBRARA FORMATION)	
LOCATED IN SECTIONS 4 AND 5,)	
TOWNSHIP 7 NORTH, RANGE 80 WEST,)	
6TH P.M., AN UNNAMED FIELD, JACKSON)	
COUNTY, COLORADO)	

APPLICATION

EE3 LLC ("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 (the "Commission") for an vacate two drilling and spacing units established by Order No. 531-2 and establish one approximate 1267.58-acre drilling and spacing unit and authorizing up to a total of seven (7) wells in order to efficiently and economically recover the oil, gas and associated hydrocarbons within the unit for production of oil, gas and associated hydrocarbons from the Niobrara Formation underlying the below-described lands. 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.

2. Applicant holds the right to operate on the following lands (hereafter "Application Lands"):

Township 7 North, Range 80 West, 6th P.M.

Section 4: All

Section 5: All

Jackson County, Colorado.

3. On July 15, 2008, the Commission issued Order No. 531-2 which, among other things, established approximate 640-acre drilling and spacing unit for certain described lands and allowed one horizontal well to be drilled and completed in each of the established drilling and spacing units, with the option to drill a second horizontal well in said unit, with a bottom hole location no closer than 600 feet from the boundaries of the unit, for production of gas and associated hydrocarbons from the Niobrara Formation. The Application Lands are subject to Order No. 531-2 for the Niobrara Formation.

4. To promote efficient drainage within the Niobrara Formation of the Application Lands, to protect correlative rights and to avoid waste, the Commission should vacate Order No. 531-2 with respect to the Application Lands and establish one (1) approximate 1267.58-acre drilling and spacing unit for the Application Lands.

5. That the above-proposed unit will allow efficient drainage of the Niobrara Formation; will prevent waste; will not adversely affect correlative rights and will assure the greatest ultimate recovery of gas and associated hydrocarbon substances from the reservoirs. The unit of the size and shape specified above is not smaller than the maximum area that can be economically and efficiently drained by the proposed wells in the unit.

6. That the Applicant is requesting to drill and complete up to a total of seven (7) wells in order to efficiently and economically recover the oil, gas and associated hydrocarbons within the 1267.58-acre unit comprised of the Application Lands and that there will be no adverse effect on correlative rights of adjacent owners.

7. The Applicant maintains that there be no more than seven well pads per section on the Application Lands, unless an exception is granted by the Director. The treated interval of each proposed horizontal well shall be no closer than 600 feet from the boundaries of the unit (regardless of the lease lines within the unit). All horizontal wells shall be no closer than 150 feet from the treated interval of another well within the unit.

8. That according to the information and belief of the Applicant, the names and addresses of the interested parties hereto are set forth in Exhibit A; and the undersigned certifies that copies of this Application will be served on each interested party 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 at the next available opportunity, that notice be given as required by law, and that upon such hearing this Commission enter its order:

A. Vacating Order No. 531-2 with respect to the Application Lands and establishing the Application Lands as an approximate 1267.58-acre drilling and spacing unit for the development of the Niobrara Formation, wherein a total of up to seven (7) wells within the 1267.58-acre drilling and spacing unit are authorized as necessary to efficiently produce oil, gas and associated hydrocarbon resources from the unit, prevent waste, and protect correlative rights.

B. Providing that there be no more than seven wellpads per section on the Application Lands, the treated interval of any horizontal well shall be no closer than 600 feet from the boundaries of the unit and not less than 150 feet from the treated interval of another well within the unit and authorizing one well pad per quarter section on the Application Lands; unless an exception is granted by the Director.

C. Finding that the 1267.58-acre drilling and spacing unit for the Niobrara Formation will prevent waste, protect correlative rights, and maximize the efficient and economic production of the Niobrara Formation on the Application Lands.

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

WHEREFORE, Applicant respectfully requests that this matter be set for hearing in May 2013, that notice be given as required by law, and that upon such hearing, the Commission enter its order consistent with Applicant's request as set forth above.

DATED this 7th day of March, 2013.

Respectfully submitted:

EE3, LLC

By:



Jamie L. Jost
Gregory J. Nibert Jr.
Beatty & Wozniak, P.C.
Attorneys for Applicant
216 16th Street, Suite 1100
Denver, Colorado 80202
(303) 407-4499

Applicant's Address:

EE3, LLC
ATTN: Douglas Sandridge
4410 Arapahoe Ave. Suite 100
Boulder, CO 80303

VERIFICATION

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

Richard McClure, of lawful age, being first duly sworn upon oath, deposes and says that he is the President of EE3 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.

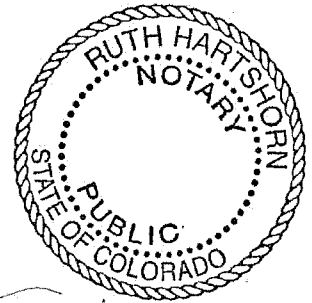
Rich McClure

Richard McClure

Subscribed and sworn to before me this 7th day of March, 2013.

Witness my hand and official seal.

My commission expires: 03/11/2014



Ruth Hartshorn

Notary Public

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

IN THE MATTER OF THE APPLICATION)
OF EE3 LLC FOR AN ORDER TO)
VACATE TWO DRILLING AND SPACING) Cause No.
UNITS ESTABLISHED BY ORDER NO.)
531-2 AND ESTABLISH ONE) Docket No.
APPROXIMATE 1267.58-ACRE)
DRILLING AND SPACING UNIT AND)
ESTABLISHING WELL LOCATION)
RULES FOR THE NIOBRARA)
FORMATION LOCATED IN SECTIONS 4)
AND 5, TOWNSHIP 7 NORTH, RANGE)
80 WEST, 6TH P.M., AN UNNAMED)
FIELD, JACKSON COUNTY, COLORADO)

AFFIDAVIT OF MAILING

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

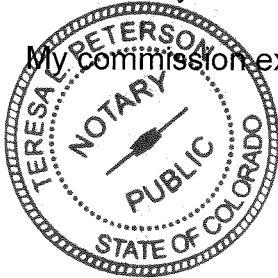
Jamie L. Jost of lawful age, and being first duly sworn upon her oath, states and declares:

That she is the attorney for EE3 LLC, that on or before March 15th, 2013, she caused a copy of the attached Application to be deposited in the United States Mail, postage prepaid, addressed to the parties listed on Exhibit A to the Application.

Jamie L. Jost
Jamie L. Jost

Subscribed and sworn to before me on March 7, 2013.

Witness my hand and official seal.



Teresa L. Peterson
Notary Public

EXHIBIT A
INTERESTED PARTIES

EE3, LLC
ATTN: Douglas Sandridge
4410 Arapahoe Ave. Suite 100
Boulder, CO 80303

Boyer Ridge Land, LLC
27680 Beaver Ridge Rd.
Steamboat Springs, CO 80487

Lufkin –Woodward Investments, LLC
425 South Cherry Creek Street
Suite 500
Denver, CO 80246

Lufkin –Woodward Investments, LLC
5105 DTC Parkway, Suite 450
Denver CO 80246

Michael Warren, Energy Liaison
Colorado Parks and Wildlife
Northwest Regional Office
711 Independent Avenue
Grand Junction, CO 81505

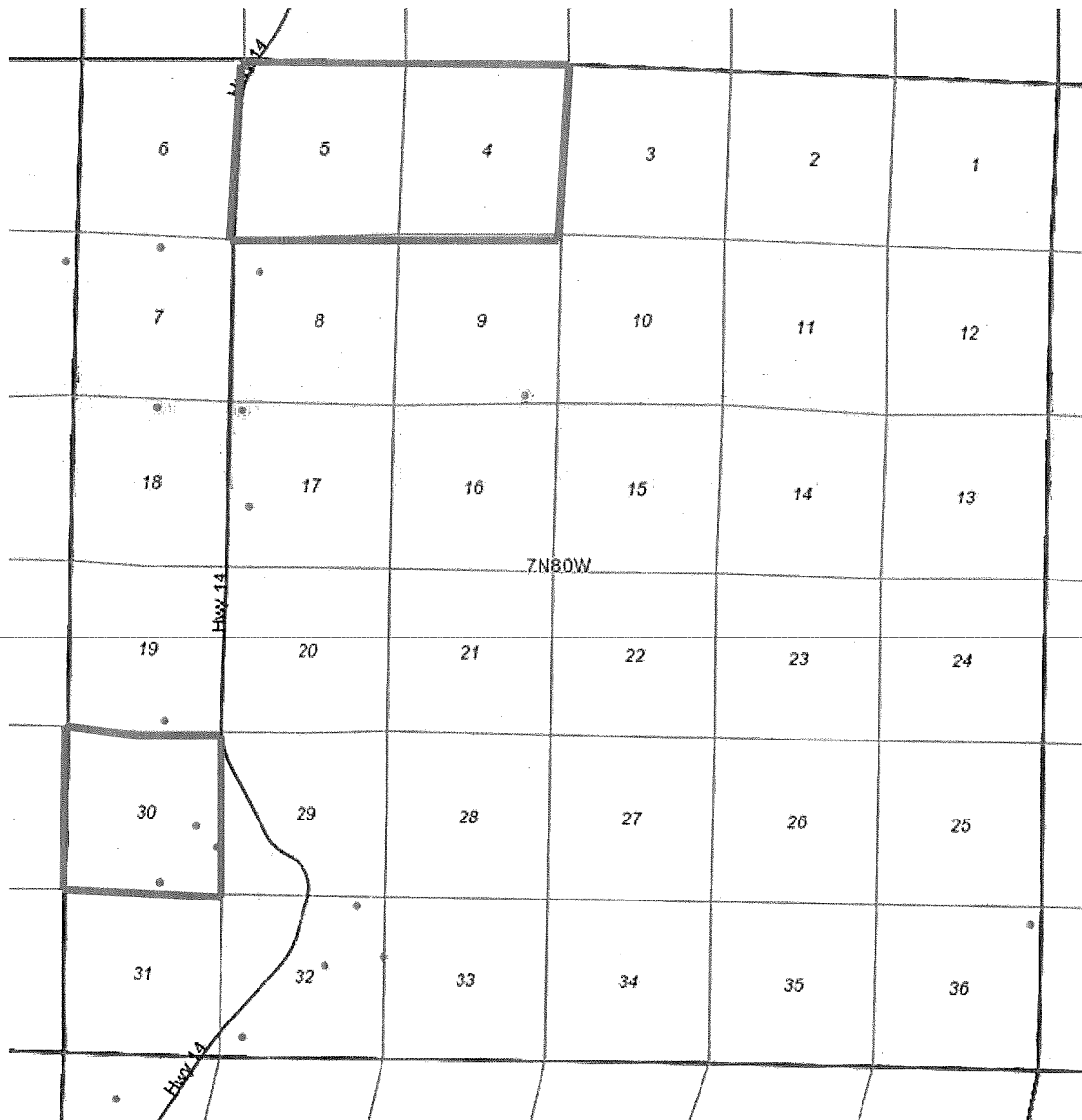
Kent Kuster
Oil & Gas Consultant Coordinator
Colorado Department of
Public Health & Environment
4300 Cherry Creek Drive South
Denver, CO 80246-1530

Wm Kent Crowder
Jackson County Administrator
PO Box 1019
Walden, CO 80480

EE3 LLC

Reference Map

Proposed Drilling and Spacing Units
Township 7 North, Range 80 West, 6th P.M.



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

IN THE MATTER OF THE APPLICATION OF)
EE3 LLC FOR AN ORDER TO VACATE TWO)
DRILLING AND SPACING UNITS)
ESTABLISHED BY ORDER NO. 531-2 AND)
ESTABLISH ONE APPROXIMATE 1267.58-)
ACRE DRILLING AND SPACING UNIT AND)
ESTABLISHING WELL LOCATION RULES)
FOR THE NIOBRARA FORMATION)
LOCATED IN SECTIONS 4 AND 5,)
TOWNSHIP 7 NORTH, RANGE 80 WEST,)
6TH P.M., AN UNNAMED FIELD, JACKSON)
COUNTY, COLORADO)

Cause No. 531

Docket No. 1305-SP-76


SUPPLEMENTAL AFFIDAVIT OF MAILING

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

Gregory J. Nibert, Jr. of lawful age, and being first duly sworn upon his oath, states and declares:

That he is the attorney for EE3, LLC, that on or before April 12, 2013, he caused a copy of the attached Application to be deposited in the United States Mail, postage prepaid, addressed to the parties listed below.

Grizzly Land, LLC
PO Box 670
Windsor, CO 80550-0670

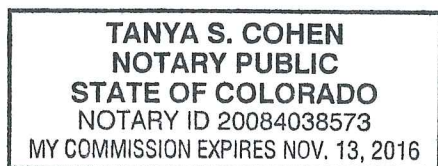


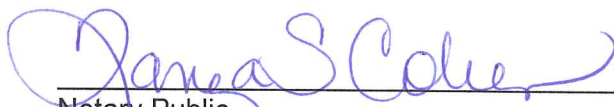
Gregory J. Nibert, Jr.

Subscribed and sworn to before me on April 12, 2013.

Witness my hand and official seal.

My commission expires: 11/13/2016.





Notary Public

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

IN THE MATTER OF THE APPLICATION OF EE3 LLC) CAUSE NO. 531
FOR AN ORDER TO VACATE TWO APPROXIMATE)
641.34 AND 626.26-ACRE DRILLING AND SPACING) DOCKET NO. 1305-SP-76
UNITS ESTABLISHED BY ORDER NO. 531-2 AND)
ESTABLISH ONE APPROXIMATE 1267.58-ACRE)
DRILLING AND SPACING UNIT AND APPROVE UP TO)
SEVEN HORIZONTAL WELLS FOR SECTIONS 4 AND 5,)
TOWNSHIP 7 NORTH, RANGE 80 WEST, 6TH P.M., FOR)
THE NIOBRARA FORMATION, UNNAMED FIELD,)
JACKSON COUNTY, COLORADO)


SECOND SUPPLEMENTAL AFFIDAVIT OF MAILING

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

Gregory J. Nibert, Jr. of lawful age, and being first duly sworn upon his oath, states and declares:

That he is the attorney for EE3, LLC and that on or before June 25, 2013 he caused a copy of the above-captioned Application to be deposited in the United States Mail, postage prepaid, addressed to the parties listed below.

Bureau of Land Management
2850 Youngfield St.
Lakewood, CO 80215



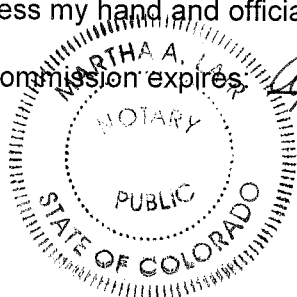
Gregory J. Nibert, Jr.

Subscribed and sworn to before me June 24, 2013.

Witness my hand and official seal.

My commission expires

April 16, 2016





Notary Public