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

IN THE MATTER OF THE APPLICATION OF EE3, LLC, FOR AN ORDER ALLOWING ONE (1) ADDITIONAL HORIZONTAL WELL IN AN ESTABLISHED 628-ACRE DRILLING AND SPACING UNIT FOR THE NIOBRARA FORMATION IN SECTION 7, TOWNSHIP 7 NORTH, RANGE 80 WEST, 6TH P.M., JACKSON COUNTY, COLORADO

Cause No.

Docket No.

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 order allowing one (1) additional horizontal well, for a total of three (3) horizontal wells in the following-described 628-acre drilling and spacing unit:

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

628.00 acre, more or less, Jackson County, Colorado ("Application 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 an operator in good standing with the Commission.
 - 2. Applicant owns substantial leasehold interests in the Application Lands.
- 3. On July 15, 2008, the Commission issued Order No. 531-2, which among other things, established various drilling and spacing units for the drilling and completion of one horizontal well, for certain lands, including the Application Lands, for production from the Niobrara Formation, with the option to drill a second horizontal well, in each of the drilling and spacing units.
- 4. On July 9, 2012, the Commission entered Order No. 531-3, which, among other things, pooled all interests in the Application Lands for the development and operation of the Niobrara Formation.
- 5. Applicant requests that one (1) additional horizontal well, for a total of up to three (3) horizontal wells, be authorized for production of oil, gas and associated hydrocarbons from the Niobrara Formation in the Application Lands, with wells being located on up to three wellpads within the unit and the treated interval of the horizontal wellbore to be no closer than 600 feet from the unit boundaries, and no closer than 600 feet from the treated interval of any other wellbore located in the unit, without exception being granted by the Director.
- 6. Applicant asserts that the additional wells is necessary to prevent waste, protect correlative rights, and to assure the maximum efficient recovery of oil, gas and associated hydrocarbons from the Niobrara Formation on the Application Lands.

7. The names and addresses of the interested parties to this Application are set forth in <u>Exhibit A</u>, and the undersigned certifies that copies of this Application shall be served on each interested party as required by Rule 503.e.

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

- A. Authorizing one (1) additional horizontal well, for a total of three (3) horizontal wells, from the 628.00 acre unit on the Application Lands for production of oil, gas and associated hydrocarbons from the Niobrara Formation with wells being located on up to three wellpads within the unit and the treated interval of the horizontal wellbore to be no closer than 600 feet from the unit boundaries, and no closer than 600 feet from the treated interval of any other wellbore located in the unit, without exception being granted by the Director.
- B. For such other findings and orders as the Commission may deem proper or advisable in the matter.

Dated: July (2), 2013

By:

Jamie L. Jost

Gregory J. Nibert Jr. Beatty & Wozniak, P.C.

216 Sixteenth Street-Suite 1100

Denver, CO 80202-5115

Address of Applicant

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, is the President of EE3, LLC and that therein contained are true to the best of | he has | first duly sworn upon oath, deposes and says that he s read the foregoing Application and that the matters nowledge, information and belief. |
| | | Rich McClure |
| | | Richard McClure, President |
| Subscribed and sworn to before | me thi | s <u>/8</u> day of July, 2013. |
| Witness my hand and official sea | al. | |
| My commission expires: 03/11/2014 | 4 | |
| ARTSHO | | Notary Public |

Exhibit A

EE3, LLC 4410 Arapahoe Ave. Suite 100 Boulder, CO 80303

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

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

IN THE MATTER OF THE APPLICATION OF EE3, LLC, FOR AN ORDER ALLOWING ONE (1) ADDITIONAL HORIZONTAL WELL IN AN ESTABLISHED 640-ACRE DRILLING AND SPACING UNIT FOR THE NIOBRARA FORMATION IN SECTION 7, TOWNSHIP 7 NORTH, RANGE 80 WEST, 6TH P.M., JACKSON COUNTY, COLORADO

Cause No.

Docket No.

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 July , 2013, he 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.

Gregory J. Nibert, Jr.

Subscribed and sworn to before me July 8, 2013.

Witness my hand and official seal.

My commission expires: _

Notarý Public

MARY GRACE T. GO-HOVELAND Notary Public State of Colorado