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

IN THE MATTER OF AN APPLICATION BY EE3 LLC FOR AN ORDER ESTABLISHING A 1280-ACRE DRILLING AND SPACING UNIT FOR SECTIONS 10 AND 11, TOWNSHIP 7 NORTH, RANGE 81 WEST, 6TH P.M., FOR PRODUCTION FROM THE NIOBRARA AND FRONTIER FORMATIONS, UNNAMED FIELD, JACKSON COUNTY, COLORADO	)	CAUSE NO. ____ DOCKET NO. *To be assigned*

APPLICATION

EE3 LLC ("EE3" or "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 establishing an approximate 1280-acre drilling and spacing unit for Sections 10 and 11, Township 7 North, Range 81 West, 6th P.M., and authorizing the drilling of up to fourteen (14) horizontal wells within the unit, for production of oil, gas and associated hydrocarbons from the Niobrara and Frontier Formations. 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 has registered as an operator with the Commission.

2. Applicant owns majority leasehold interests in the below-listed lands:

Township 7 North, Range 81 West, 6th P.M.
Section 10: All
Section 11: All

These lands are hereinafter referred to as the "Application Lands." A map depicting the acreage comprising the Application Lands is attached hereto and marked as Exhibit A.

3. The Application Lands are unspaced with respect to the Niobrara and Frontier Formations, which are a common source of supply underlying said lands and, as such, Rule 318.a. applies to said lands and under said rule, wells greater than 2,500 feet in depth shall be located not less than 600 feet from any lease line, and shall not be located less than 1,200 feet from any other producible or drilling well when drilling to the same common source of supply, unless authorized by order of the Commission upon hearing.

4. Applicant requests the Commission establish the Application Lands as an approximate 1280-acre drilling and spacing unit for the Niobrara and Frontier Formations pursuant to Rule 503.b.(1) and §34-60-116(2), C.R.S. For the Application Lands, the proposed drilling unit is not smaller than the maximum area that can be economically and efficiently drained by the horizontal wells proposed to be drilled under this Application and completed in the Niobrara and Frontier Formations.

5. Applicant requests it be authorized to drill and complete up to fourteen (14) horizontal wells in the approximate 1280-acre drilling and spacing unit for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Niobrara and Frontier Formations, as necessary to economically and efficiently recover resources, while minimizing surface impacts, creating efficiencies for drilling and production, increasing the ultimate recovery of the reserves, preventing waste, and protecting correlative rights.

6. Applicant states that, for any permitted wells to be drilled under this Application, the treated intervals of the wellbore should be not less than 600 feet from the unit boundaries with an inter-well setback of not less than 300 feet from the treated interval of a well producing from the Niobrara or Frontier Formations, without exception being granted by the Director.

7. Applicant states that any horizontal wells to be drilled under this Application will be drilled from well pads on the surface of the drilling unit, or on adjacent lands with consent of the landowner, from no more than one (1) pad located on a given quarter quarter section (or lots or parcels approximately equivalent thereto), unless exception is granted by the Commission pursuant to an application made for such exception.

8. The granting of this Application is in accord with the Oil and Gas Conservation Act, found at §34-60-101, *et seq*., C.R.S., and the Commission rules.

9. Applicant requests that relief granted under this Application should be effective on oral order by the Commission, and Applicant hereby agrees to being bound by said oral order.

10. That the names and addresses of the interested parties (owners within the proposed drilling unit) according to the information and belief of the Applicant are set forth in Exhibit B attached hereto. The Applicant shall submit a certificate of service for the Application within the seven days as required by Rule 503.e.

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

A. Establishing an approximate 1280-acre drilling and spacing unit for Sections 10 and 11, Township 7 North, Range 81 West, 6th P.M., and authorizing the drilling of up to fourteen (14) horizontal wells within the proposed unit, for the production of oil, gas and associated hydrocarbons from the Niobrara and Frontier Formations, with the treated intervals of the wellbore of any permitted wells to be located not less than 600 feet from the outer boundary of the proposed unit with an inter-well setback of not less than 300 feet from the treated interval of a well producing from the Niobrara or Frontier Formations, without exception being granted by the Director.

B. Requiring that any horizontal wells drilled under this Application be drilled from well pads on the surface of the drilling unit, or on adjacent lands with consent of the landowner, from no more than one (1) pad located on a given quarter quarter section (or lots or parcels approximately equivalent thereto).

C. Providing that relief granted under this Application be effective on oral order by the Commission, relying on the Applicant's desire to be bound by said oral order.

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

DATED this 17th day of April, 2014.

Respectfully submitted,

EE3 LLC

By: _____

Robert A. Willis (Colorado Bar No. 26308)
Jillian Fulcher (Colorado Bar No. 45010)
Beatty & Wozniak, P.C.
Attorneys for Applicant
216 16th Street, Suite 1100
Denver, Colorado 80202
(303) 407-4499
rwillis@bwenergylaw.com
jfulcher@bwenergylaw.com

Applicant's Address:
EE3 LLC
Douglas C. Sandridge, Vice President - Land
4410 Arapahoe Avenue, Suite 100
Boulder, CO 80303

VERIFICATION

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

Douglas C. Sandridge, Vice President of Land for EE3 LLC, upon oath deposes and says that he has read the foregoing Application and that the statements contained therein are true to the best of his knowledge, information and belief.

EE3 LLC

Douglas C. Sandridge

Subscribed and sworn to before me this 15th day of April, 2014, by Douglas C. Sandridge, Vice President of Land for EE3 LLC.

Witness my hand and official seal.

My commission expires: 03/11/2018

Notary Public

RUTH HARTSHORN NOTARY PUBLIC STATE OF COLORADO

Application Lands -

Sec. 11, T7N, R81W
Jackson County

Exhibit A
Application Map

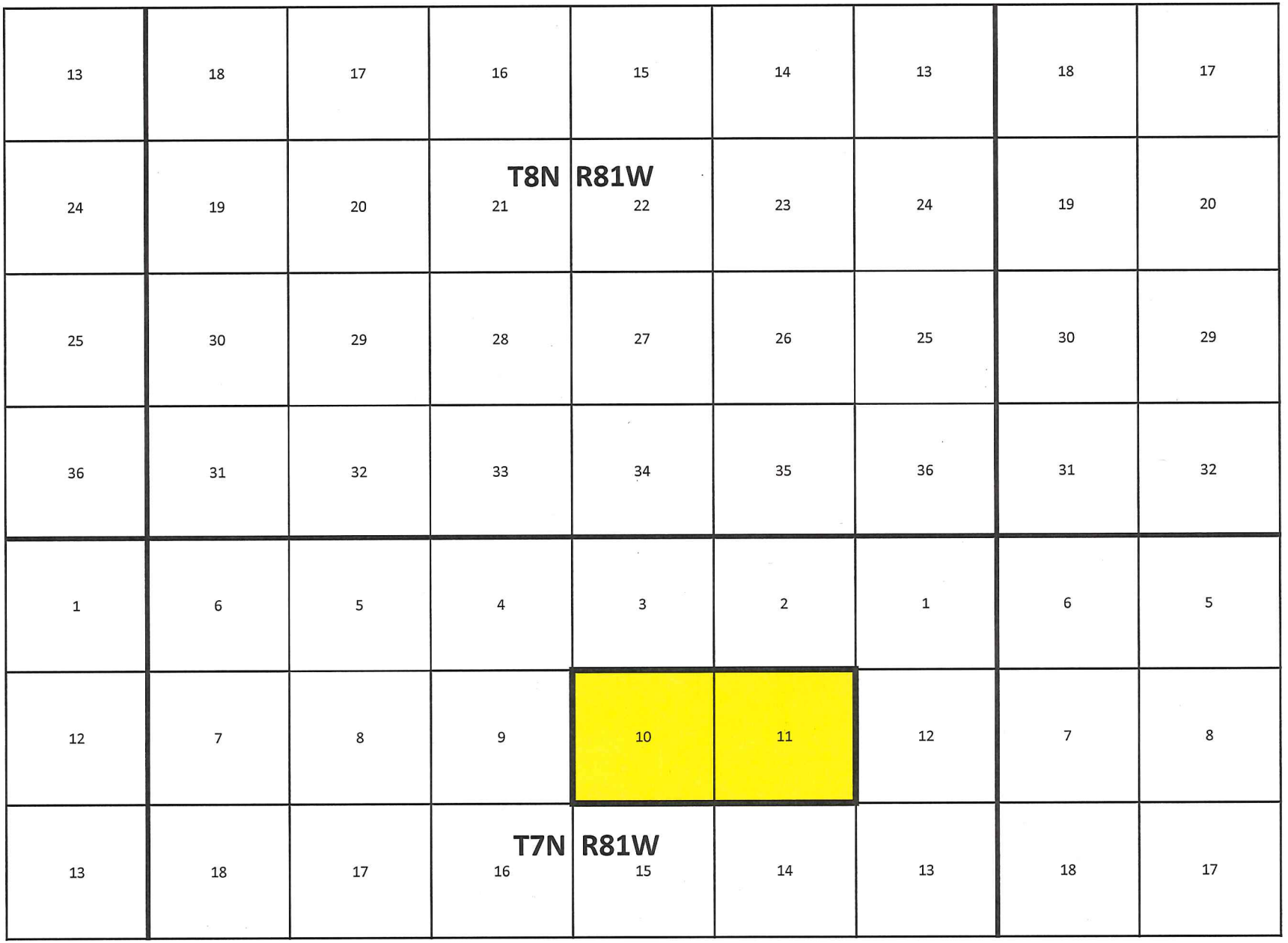

EXHIBIT B

INTERESTED PARTIES

The names and addresses of the interested parties (owners within the proposed unit) according to the information and belief of the Applicant are set forth in this Exhibit B.

EE3 LLC
4410 Arapahoe Avenue, Suite 100
Boulder, CO 80303

Grizzly Land, LLC
P.O. Box 670
Windsor, CO 80550

Lufkin-Woodard Investments, LLC
425 South Cherry Street
Suite 500
Denver, CO 80246

USA BLM
Colorado State Office
2850 Youngfield St.
Lakewood, CO 80215

Douglas J. Guion
P.O. Box 899
Denver, CO 80201-0899

Journey's End Inc.
P.O. Box 899
Denver, CO 80201-0899

Pennsylvania Minerals LLC
P.O. Box 899
Denver, CO 80201-0899

Andrew Childress
32 Hardy Street
Newburyport, MA 01950

Albert H. Van Valkenburg
11453 State Hwy #14
Coalmont, CO 80430

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

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

Jillian Fulcher
Beatty & Wozniak, P.C.
216 16th Street, Suite 1100
Denver, Colorado 80202

Boyer Ridge Land, LLC
27680 Beaver Ridge Road
Steamboat Springs, CO 80487

State of Colorado
Board of Land Commissioners
1127 Sherman Street, Suite 300
Denver, CO 80203

Bulldog One Oil & Gas Inc.
P.O. Box 899
Denver, CO 80201-0899

Jordance Energy Inc.
1615 California St., #702
Denver, CO 80202

Labrador One Oil & Gas Inc.
P.O. Box 899
Denver, CO 80201-0899

South Park Royalty Company LLC
P.O. Box 8946
Denver, CO 80201-8946

Jason Childress
124 Columbia Heights
Brooklyn, NY 11201-1600

Mowry Ranch, Inc.
P O Box 899
Saratoga, WY 82331

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

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OF THE STATE OF COLORADO

IN THE MATTER OF AN APPLICATION BY EE3 LLC FOR AN ORDER ESTABLISHING A 1280-ACRE DRILLING AND SPACING UNIT FOR SECTIONS 10 AND 11, TOWNSHIP 7 NORTH, RANGE 81 WEST, 6TH P.M., FOR PRODUCTION FROM THE NIOBRARA AND FRONTIER FORMATIONS, UNNAMED FIELD, JACKSON COUNTY, COLORADO	)	CAUSE NO. _____ DOCKET NO. *To be assigned*

AFFIDAVIT OF MAILING

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

Jennifer Pittenger, of lawful age, and being first duly sworn upon her oath, states and declares:

That she is a Legal Assistant at Beatty & Wozniak, P.C., attorneys for EE3 LLC, and on or before April 24th, 2014, 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.

Jennifer Pittenger
Jennifer Pittenger

Subscribed and sworn to before me this 17th day of April, 2014.

Witness my hand and official seal.

TERESA L. PETERSON
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 19894002026
MY COMMISSION EXPIRES OCT.4, 2017

Teresa L Peterson
Notary Public