

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

IN THE MATTER OF THE APPLICATION OF)	
BAYHORSE PETROLEUM, LLC FOR AN)	
ORDER ALLOWING ONE (1) ADDITIONAL)	Cause No. 252
WELL IN TWO (2) ESTABLISHED 80-ACRE)	
DRILLING AND SPACING UNITS FOR THE)	Docket No. _____
MARMATON FORMATION IN THE)	
W1/2NE1/4 AND THE E1/2NE1/4 OF)	
SECTION 28, TOWNSHIP 18 SOUTH,)	
RANGE 47 WEST IN KIOWA COUNTY,)	
COLORADO)	

APPLICATION

Bayhorse Petroleum, 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 to permit one (1) additional well (for a total of two (2) wells) in two (2) established 80-acre drilling and spacing units for the Marmaton Formation in the following lands:

Township 18 South, Range 47 West, 6th P.M.
Section 28: W1/2NE1/4
E1/2NE1/4

Kiowa County, Colorado (hereinafter, the "Infill Application Lands"). A map showing the Application Lands is attached.

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 owns a substantial portion of the leasehold interests on the Infill Application Lands.
3. Commission Order No. 252-6 established 80-acre drilling and spacing units for the Infill Application lands and allows for the drilling and completion of one (1) well in each established 80-acre drilling and spacing unit. Order No. 252-6 further allows each proposed well to be drilled in the designated drilling and spacing unit no closer than 600' from the boundaries of the drilling and spacing unit.
4. For purposes of this Application, Applicant requests that an additional one (1) infill well be allowed for production from the Marmaton Formation covering the Infill Application Lands for a total of two (2) wells in each of the established 80-acre drilling and spacing units. Applicant states that the infill well shall be drilled in the designated 80-acre

drilling and spacing unit no closer than 600' from the boundaries of the drilling and spacing unit.

5. Applicant asserts that one (1) well will not efficiently and economically drain the applicable 80-acre drilling and spacing unit on the Infill Application Lands and that one (1) additional infill well on the Infill Application Lands is necessary to prevent waste, protect correlative rights and to assure the greatest recovery of gas and associated hydrocarbons from the Marmaton formation in accordance with the Colorado statutes and the Commission rules.

6. Applicant asserts the one (1) additional infill well in each established 80-acre drilling and spacing unit can be developed in a manner consistent with protection of public health, safety and welfare.

7. The names and addresses of the interested parties according to the information and belief of the Applicant are set forth in Exhibit A attached hereto and made a part hereof, and the undersigned certifies that copies of this Application shall be served on each interested party within the next 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 that one (1) additional infill well (for a total of two (2) authorized Marmaton wells) may be completed in the applicable 80-acre drilling and spacing unit for gas and associated hydrocarbons from the Marmaton Formation underlying the Infill Application Lands.

B. Establishing that the one (1) infill well shall be drilled in each of the designated 80-acre drilling and spacing units no closer than 600' from the outer boundaries of the drilling and spacing unit with no interwell setback required.

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

Dated this 21st day of June, 2012.

Respectfully submitted:

BAYHORSE PETROLEUM, LLC

By: Jamie L. Jost

Jamie L. Jost
Matthew J. Lepore
Beatty & Wozniak, P.C.
216 Sixteenth St. -Suite 1100
Denver, Colorado 80202
Telephone No.: (303) 407-4499

Applicant's Address:

Bayhorse Petroleum, LLC
ATTN: Larry F. Manikowski
2558 E. Portsmouth Avenue
Salt Lake City, UT 84121

VERIFICATION

STATE OF UTAH

CITY AND COUNTY OF SALT LAKE

)
)
) ss.

Larry Manikowski of lawful age, being first duly sworn upon oath, deposes and says that he is a Vice President & CFO/COO for Bayhorse Petroleum, 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.

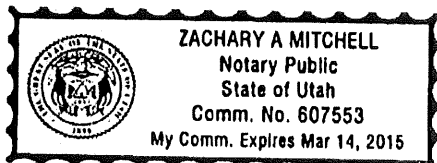
By: Larry F. Manikowski
Larry F. Manikowski

Subscribed and sworn to before me this 20 day of June, 2012.

Witness my hand and official seal.

My commission expires: 3/14/15

Zachary A. Mitchell
Notary Public



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COLORADO)

Cause No. 252

Docket No. _____

AFFIDAVIT OF MAILING

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

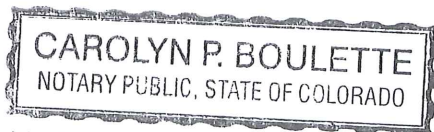
Jamie L. Jost, of lawful age, and being first duly sworn upon her oath,
states and declares:

June 24th, 2012, That she is an attorney for Bayhorse Petroleum, LLC, that on or before
she caused a copy of the attached Application in the subject docket to
be deposited in the United States Mail, postage prepaid, addressed to the parties listed
on Exhibit A to the Application.

By: Jamie L Jost
Jamie L. Jost

Subscribed and sworn to before me this 24 day of June, 2012.

Witness my hand and official seal.



My Comm. Expires October 22, 2015

My commission expires: October 22, 2015.

Carolyn P. Boulette

EXHIBIT A
Interested Parties

Kim Kaal
Energy Liaison - DOW
711 Independent Avenue
Grand Junction, CO 81505

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

Debra C. Lening
Kiowa County
1305 Goff St.
P.O. Box 37
Eads, CO 81036

Jones-Daube Mineral Company
% Patti Wilcox
PO Box 1169
Duncan, OK 73534-1169

Dollie & Lane Kingery
% Neson, Inc.
PO Box 1945
Ardmore, OK 73402

Jerry Jim Kingery & Judith Ann Little
% Neson, Inc.
Judith Ann Johnson - 1/2
PO Box 1945
Ardmore, OK 73402

Jerry Jim Kingery & Judith Ann Little
% Neson, Inc.
Judith Ann Johnson - 1/2
PO Box 1945
Ardmore, OK 73402

Bayhorse Petroleum, LLC
Larry F. Manikowski, Manager
2558 E. Portsmouth Ave.
Salt Lake City, UT 84121-5627

Manikowski Minerals, LLC
Larry F. Manikowski, Manager
2558 E. Portsmouth Ave.
Salt Lake City, UT 84121-5627

Vaughn Minerals, LLC
Rodney L. Vaughn, Manager
491 Birch Lane
Providence, UT 84332

Oil Tyfoons, LLC
Jeffrey W. Vaughn, Manager
9748 S. Bluffside Drive
Sandy, UT 84092

Randy Pitcher
14046 So. Emmeline Dr.
Herriman, UT 84096

Brett A. James
4805 N. Meadow Loop Rd. #59
Park City, UT 84098

Indian Plains Exploration and Production LLC
Robert L. Kliesen, Manager
P. O. Box 312
Eads, CO 81036

Kliesens Sons and Daughters LLC
Jacqueline Rittgers, Manager
712 East 14th
Eads, CO 81036

LaVanda C. Mitchek
P. O. Box 369
Cheyenne Wells, CO 80810

Glen Beeson
P. O. Box 884
Eads, CO 81036

Black Gold Drilling, Inc.
Allen J. Gross, President
1401 N. El Camino Real, Suite 207
San Clemente, CA 92672

Paula Jo Barby
P. O. Box 442
Laverne, OK 73848

J. Weber, Inc.
Jerry Weber, President
13599 US Highway 385
Sheridan Lake, CO 81071

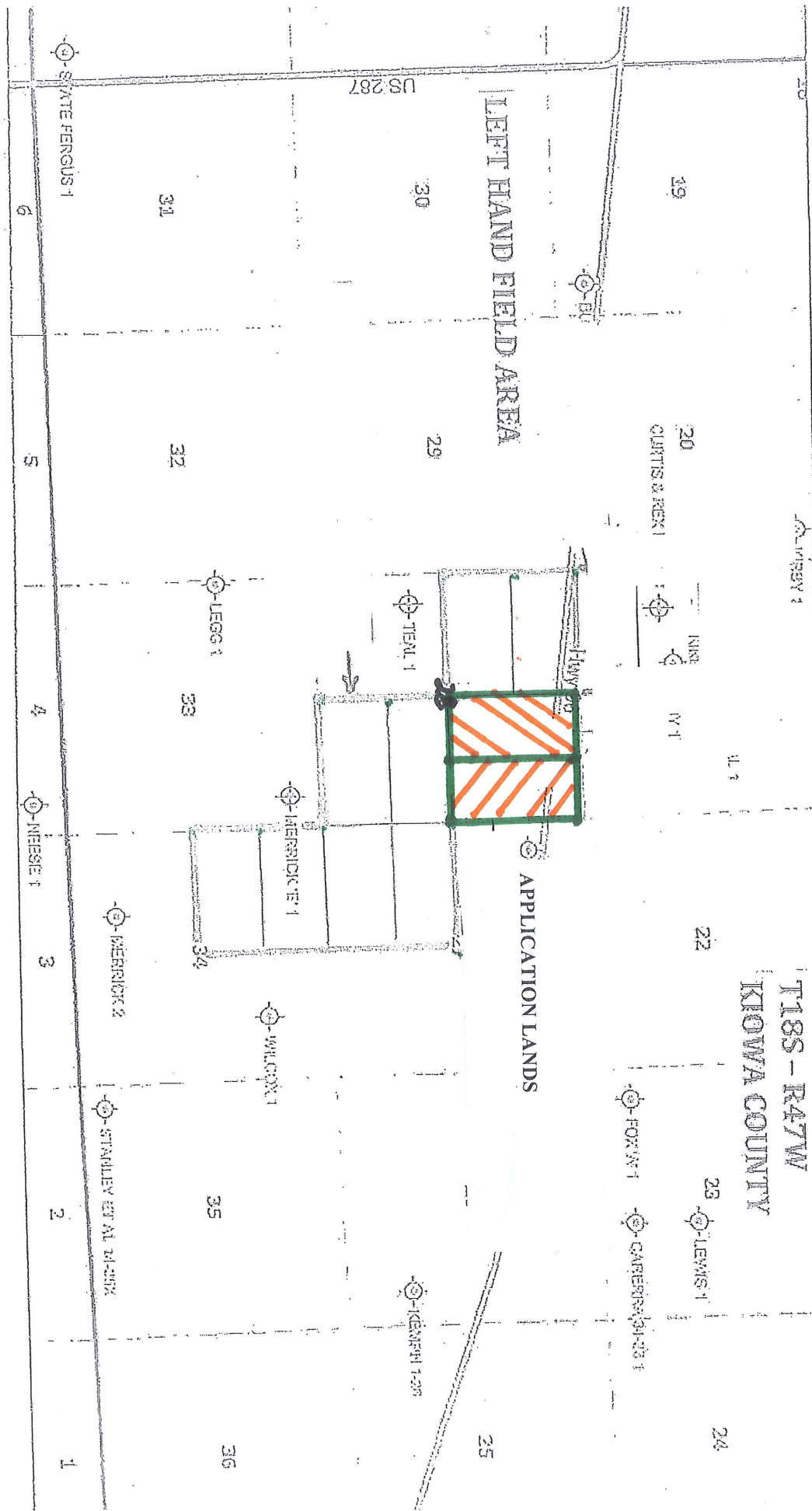
Denis Weber
65676 State Highway 96
Sheridan Lake, CO 81071

Theresa Weber
65676 State Highway 96
Sheridan Lake, CO 81071

McCartney Minerals, LLC
Jack McCartney, Manager
4251 Kipling Street, Suite 575
Wheatridge, CO 80033

LOCATION MAP

T18S - R47W
 KIOWA COUNTY



SCALE 1 : 46,692

