

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

IN THE MATTER OF THE APPLICATION OF) GUNNISON ENERGY CORPORATION FOR) AN ORDER ESTABLISHING AN) APPROXIMATELY 3,583-ACRE DRILLING) AND SPACING UNIT FOR AND APPROVING) THE DRILLING OF UP TO 15 HORIZONTAL) WELLS FOR THE MANCOS FORMATION IN) SECTIONS 7, 8, 17, 18, 19, 20, 21 AND 22,) TOWNSHIP 11 SOUTH, RANGE 90 WEST,) 6 th P.M. IN AND APPROVE UP TO 15) WELLS WITHIN THE UNIT, FOR THE) MANCOS FORMATION, UNNAMED FIELD,) GUNNISON COUNTY, COLORADO)	CAUSE NO. 547 DOCKET NO. 1307-SP-1117
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VERIFIED AMENDED APPLICATION

Gunnison Energy Corporation (the "Applicant"), through its attorneys, Bjork Lindley Little PC, respectfully submits this application to the Oil and Gas Conservation Commission of the State of Colorado (the "Commission" or "COGCC") for an order establishing an approximately 3,583-acre drilling and spacing unit (North Sheep Park) for the drilling of up to 15 new **VERTICAL, DIRECTIONAL AND/OR** horizontal wells to be completed in the Mancos Formation underlying certain lands in Gunnison County, Colorado. **NEW TEXT IN THIS AMENDED APPLICATION IS SHOWN IN BOLD CAPITALIZED LETTERS DELETED TEXT IS SHOWN WITH STRIKE-THROUGHS.**

1. The Applicant owns leasehold interests in the Mancos and other formations in the following lands located in Gunnison County, Colorado:

Township 11 South, Range 90 West, 6th P.M., Gunnison County, Colorado
Section 7: All
Section 8: SW $\frac{1}{4}$ SW $\frac{1}{4}$; Lot 5; and Lot 6 (S $\frac{1}{2}$ S $\frac{1}{2}$ less and except that part of HES 256¹ located in the S $\frac{1}{2}$ S $\frac{1}{2}$)
Section 17: W $\frac{1}{2}$ NW $\frac{1}{4}$; SE $\frac{1}{4}$ NE $\frac{1}{4}$; E $\frac{1}{2}$ SE $\frac{1}{4}$; Lots 1, 2, 3, 4, 5, 6, 7, 8 and 9; and all lands in HES 252 and HES 73¹ (All less and except that part of HES 256 located in Section 17)
Section 18: All
Section 19: All
Section 20: All
Section 21: All
Section 22: SW $\frac{1}{4}$

(the "North Sheep Application Lands"). A reference map identifying and depicting the Application Lands is attached as Exhibit 1.

¹ Further descriptions of HES 256, HES 252 and HES 73 are included in Exhibit 2.

2. The majority of the Application Lands consist of surface lands owned by the United States of America and managed by the United States Forest Service. It is an area of difficult terrain and limited roads and access.

3. A number of different federal leases cover a majority of the Application Lands. The Applicant is an owner of an interest in federal leases in each section of the Application Lands and also has leased fee minerals in the Application Lands.

4. The Application Lands are unspaced and are presently subject to COGCC Rule 318.a. This Rule provides that wells greater than 2,500 feet in depth may be drilled no closer than 600 feet to a lease or unit boundary and no closer than 1200 feet to another well producing from the same formation.

5. No orders have been issued by the COGCC for the Mancos Formation underlying the Application Lands.

6. As shown on Exhibit 1, portions of the Application Lands are bordered on the east and north by the Bull Mountain and Coal Basin Units administered by the United States Bureau of Land Management.

7. On May 6, 2013, the COGCC issued Order 547-1 establishing an approximately 2,240-acre drilling and spacing unit for Sections 9, 15, 16 and the N½ of 22 in Township 11 South, Range 90 West, 6th P.M. in Gunnison County, Colorado (the "Henderson DSU"). The Henderson DSU is located to the immediate east and north of portions of the Application Lands and is depicted on Exhibit 1. The Commission ordered that up to 12 new vertical or horizontal wells may be drilled to and completed in the Mancos Formation within the Henderson DSU.

8. Contemporaneous with the filing of this **THE** Verified Application, the Applicant has filed another application for an order to create a separate 8,844-acre drilling and spacing unit immediately south of the Application Lands. The proposed South Sheep Park Drilling and Spacing Unit will include lands west of the Henderson DSU which are not presently within adjoining federal units to the east, south and west.

Jurisdiction and Parties

9. The Commission has jurisdiction over this matter pursuant to § 34-60-116, C.R.S. and other law.

10. The Applicant is a Delaware corporation. The Applicant is an oil and gas operator in good standing with the Commission and is otherwise authorized to do business in Colorado. The Applicant has standing pursuant to Rule 503.b. to apply for the requested relief.

11. Exhibit 3 is a list of all interested parties as defined in COGCC Rules. Exhibit 3 reflects the best information now known to the Applicant about each of these interested parties and includes the last known address reflected in county or other records for all owners of unleased mineral interests within the Application Lands.

Drilling and Spacing Unit Request

12. The Applicant requests the Commission establish a single approximately 3,583-acre drilling and spacing unit consisting of the Application Lands within which, at the option of the Applicant or other operator, up to 15 new **VERTICAL, DIRECTIONAL AND/OR** horizontal wells may be drilled with the treated intervals of the permitted ~~horizontal~~ wellbores to be no closer than 600 feet to the boundaries of the proposed drilling and spacing unit without any required setback from interior lease lines. The Commission also should order that the treated intervals of the permitted ~~horizontal~~ wellbores be no closer than 600 feet to the treated interval of another ~~horizontal~~ wellbore within the drilling and spacing unit, except as to the toes of the lateral legs of the ~~horizontal~~ wellbores which may abut each other (the "Proposed North Sheep Park Drilling and Spacing Unit").

13. The Mancos Formation beneath the Application Lands is thought to contain common accumulations of oil, gas or associated hydrocarbons which may be economically produced from **VERTICAL, DIRECTIONAL AND/OR** horizontal wells. Local variability may exist with respect to the formation's thickness, fractures and other characteristics. As a result, the operator should be given flexibility using available data to select the best possible wellbore locations and orientations within the Proposed North Sheep Park Drilling and Spacing Unit, including those locations which might cross or be within 600 feet of an interior lease line.

14. The Proposed North Sheep Park Drilling and Spacing Unit is not smaller than the maximum area that can be economically and efficiently drained by the requested ~~horizontal~~ wells. To the contrary, the drilling of up to 15 **NEW VERTICAL, DIRECTIONAL AND/OR** horizontal wells with lengthy lateral producing intervals within the Proposed North Sheep Park Drilling and Spacing Unit will permit optimal wellbore orientation, encourage effective recovery of the resource and prevent waste. In order to drill these wells, it will be necessary to cross or abut interior lease lines.

15. Including multiple sections within the Proposed North Sheep Park Drilling and Spacing Unit also will help minimize surface impact. As noted above, **MANY** lengthy horizontal wells are contemplated and this is an area of difficult terrain within lands managed in part by the United States Forest Service. The drilling of **VERTICAL, DIRECTIONAL AND/OR** horizontal wells within the Proposed North Sheep Park Drilling and Spacing Unit from a limited number of well pads to be approved by regulatory processes at a later time will facilitate the efficient location and operation of surface facilities. As a result, nothing in the Commission's order should dictate surface locations or address issues of operatorship.

16. For all of these reasons, entry of the relief proposed herein will facilitate the eventual communitization of the federal mineral interests, promote the efficient and effective drainage of oil, gas and associated hydrocarbons from the Application Lands, prevent waste and protect correlative rights in a manner consistent with public health, safety and welfare, the protection of the environment and wildlife resources and the other requirements of law.

Conclusion and Request for Relief

17. The Applicant certifies that copies of this **AMENDED** application shall be served on each interested party listed in Exhibit 3 within seven days of the filing of this **AMENDED** application as provided in Commission Rule 503. An affidavit and certificate of service attesting to

the mailing of the **AMENDED** application to those persons entitled to notice also shall be filed with the Commission as required by COGCC Rules.

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

19. The Applicant agrees to be bound by the oral order of the Commission.

Respectfully submitted on ~~May 30~~ **JULY 2**, 2013.

BJORK LINDLEY LITTLE PC

By: _____



David R. Little #13340
Bjork Lindley Little PC
1600 Stout Street, Suite 1400
Denver, CO 80202
Telephone: 303-892-1400
Facsimile: 303-892-1401
dlittle@bjorklindley.com

Applicant's Contact Information:

1801 Broadway, Suite 1200
Denver, Colorado 80202-3840

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

IN THE MATTER OF THE APPLICATION OF)
GUNNISON ENERGY CORPORATION FOR)
AN ORDER ESTABLISHING AN)
APPROXIMATELY 3,583-ACRE DRILLING)
AND SPACING UNIT ~~FOR AND APPROVING~~)
~~THE DRILLING OF UP TO 15 HORIZONTAL~~)
~~WELLS FOR THE MANCOS FORMATION IN~~)
SECTIONS 7, 8, 17, 18, 19, 20, 21 AND 22,)
TOWNSHIP 11 SOUTH, RANGE 90 WEST,)
6th P.M. ~~IN AND APPROVE UP TO 15~~)
~~WELLS WITHIN THE UNIT, FOR THE~~)
MANCOS FORMATION, UNNAMED FIELD,)
GUNNISON COUNTY, COLORADO)

CAUSE NO. 547

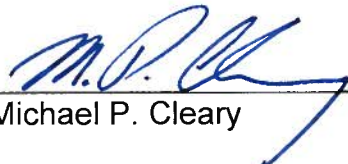
DOCKET NO. 1307-SP-1117

VERIFICATION

STATE OF COLORADO)
) ss.
COUNTY OF DENVER)

I, Michael P. Cleary, am employed as Vice President Operations for the Applicant, Gunnison Energy Corporation. I have read the foregoing Verified Application, have personal knowledge of the facts asserted in it and hereby swear upon oath that the matters discussed in the Verified **AMENDED** Application are true and correct to the best of my knowledge, information and belief.

Name:


Michael P. Cleary

Address:

Gunnison Energy Corporation
1801 Broadway, Suite 1200
Denver, Colorado 80202

Subscribed and sworn to before me this 30th 2nd day of May **JULY**, 2013.

Witness my hand and official seal.

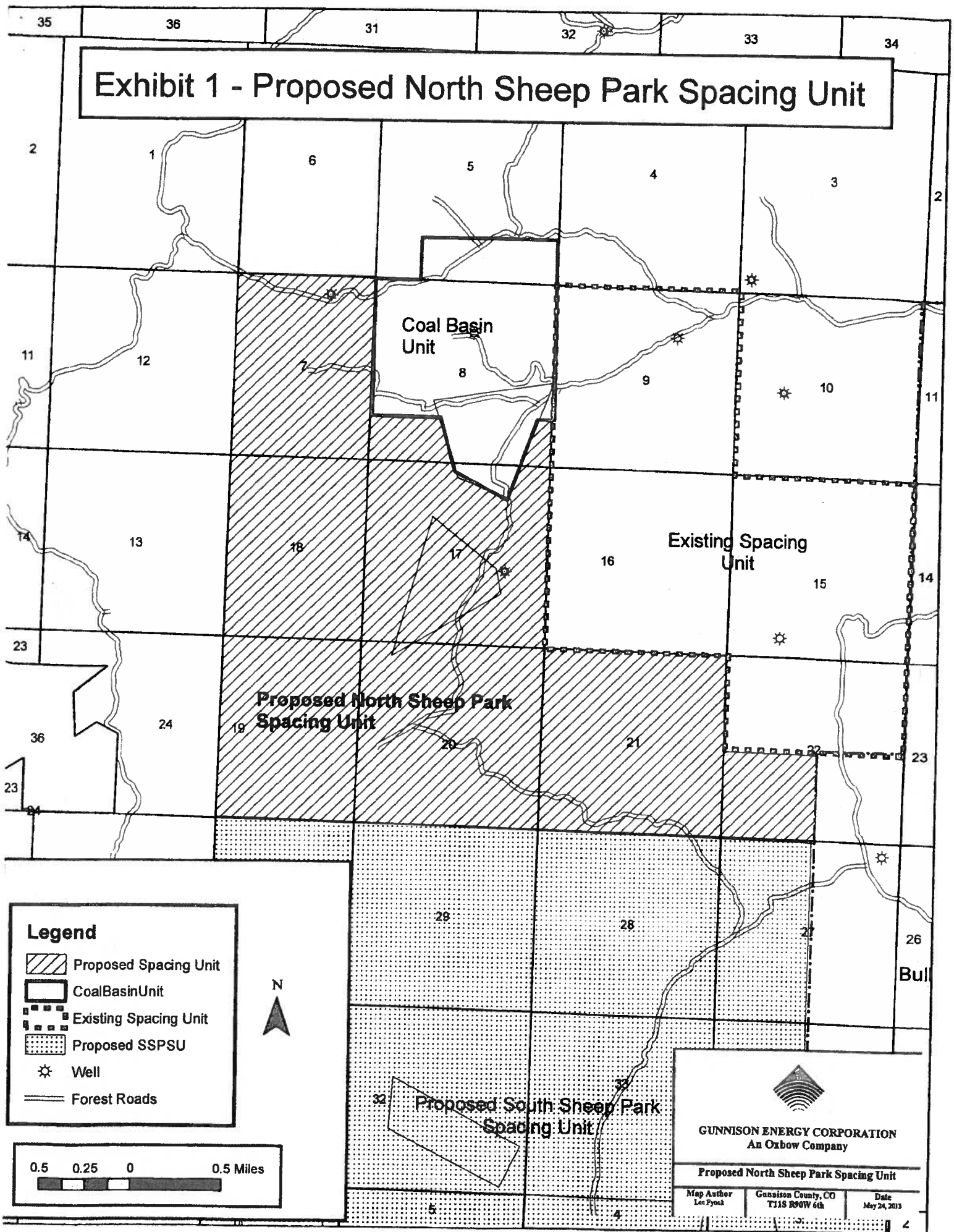
My commission expires:


June 30, 2015


Notary Public

[SEAL]

Exhibit 1 - Proposed North Sheep Park Spacing Unit



Glenwood Springs 08742

4-1003-R.

The United States of America,

To all to whom these presents shall come, Greeting:

WHEREAS, a Certificate of the Register of the Land Office at **Glenwood Springs, Colorado,** has been deposited in the General Land Office, whereby it appears that, pursuant to the Act of Congress of May 20, 1862, "To Secure Homesteads to Actual Settlers on the Public Domain," and the acts supplemental thereto, the claim of **Charles D. Mead**

has been established and duly consummated, in conformity to law, for the **N. K. Survey No. 256**, embracing a portion of, approximately, Sections eight and seventeen in Township eleven south of Range ninety west of the Sixth Principal Meridian, Colorado, more particularly bounded and described as follows: Beginning at corner No. 1, from which the south corner to Sections thirty-one and thirty-two in Township ten south of Range ninety west of the Sixth Principal Meridian, bears north seven degrees five minutes east one hundred fifty-two and six-hundredths chains distant; thence, north seventy-nine degrees fourteen minutes east fifty-two and twenty-eight-hundredths chains to corner No. 2; thence, south eighteen degrees twenty-two minutes west fifty-four and ninety-two-hundredths chains to corner No. 3; thence, north sixty-nine degrees forty-eight minutes west twenty-four and sixty-three-hundredths chains to corner No. 4; thence, north seventeen degrees fifty-five minutes west thirty-five and sixty-hundredths chains to corner No. 1, the place of beginning, containing one hundred fifty-nine and ninety-three-hundredths acres,

according to the Official Plat of the Survey of the said Land, returned to the GENERAL LAND OFFICE by the Surveyor-General:

NOW KNOW YE, That there is, therefore, granted by the UNITED STATES unto the said claimant the tract of Land above described; TO HAVE AND TO HOLD the said tract of Land, with the appurtenances thereof, unto the said claimant and to the heirs and assigns of the said claimant forever; subject to any vested and accrued water rights for mining, agricultural, manufacturing, or other purposes, and rights to ditches and reservoirs used in connection with such water rights, as may be recognized and acknowledged by the local customs, laws, and decisions of courts; and there is reserved from the lands hereby granted a right of way thereon for ditches or canals constructed by the authority of the United States. Reserving, also, to the United States all coal in the lands so granted, and to it, or persons authorized by it, the right to prospect for, mine, and remove coal from the same upon compliance with the conditions of and subject to the limitations of the Act of June 22, 1910 (36 Stat., 583).

IN TESTIMONY WHEREOF, I, **Woodrow Wilson,**

President of the United States of America, have caused these letters to be made Patent, and the seal of the General Land Office to be hereunto affixed.

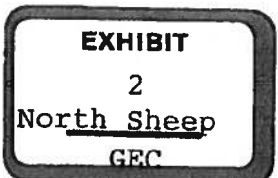
GIVEN under my hand, in the District of Columbia, the **SEVENTEENTH** day of **SEPTEMBER** In the year of our Lord one thousand nine hundred and **TWENTY** and of the Independence of the United States the one hundred and **FORTY-FIFTH.**

By the President:

By

Woodrow Wilson
W. P. L. By Secretary.
E. P. C. Samson
Recorder of the General Land Office

RECORD OF PATENTS: Patent Number **773565**



The United States of America,

To all to whom these presents shall come, Greeting:

WHEREAS, a Certificate of the Register of the Land Office at Denver, Colorado, has been deposited in the General Land Office, whereby it appears that, pursuant to the Act of Congress of May 20, 1862, "To secure Homesteads to Actual Settlers on the Public Domain," and the acts supplemental thereto, the claim of Salvatore Spatofores has been established and duly consummated, in conformity to law, for the land included in H. E. Survey No. 252, embracing a portion of, approximately, Sections seventeen and twenty in Township eleven south of Range ninety west of the Sixth Principal Meridian, Colorado, containing one hundred thirty-four acres and thirty hundredths of an acre,

according to the Official Plat of the Survey of the said Land, returned to the GENERAL LAND OFFICE by the Surveyor-General:

NOW KNOW YE, That there is, therefore, granted by the UNITED STATES unto the said claimant the tract of Land above described; TO HAVE AND TO HOLD the said tract of Land, with the appurtenances thereof, unto the said claimant and to the heirs and assigns of the said claimant forever; subject to any vested and accrued water rights for mining, agricultural, manufacturing, or other purposes, and rights to ditches and reservoirs used in connection with such water rights, as may be recognized and acknowledged by the local customs, laws, and decisions of courts; and there is reserved from the lands hereby granted, a right of way thereon for ditches or canals constructed by the authority of the United States; reserving, also, to the United States all coal in the lands so granted, and to it, or persons authorized by it, the right to prospect for, mine, and remove coal from the same upon compliance with the conditions of and subject to the limitations of the Act of June 22, 1910 (36 Stat. 583).

IN TESTIMONY WHEREOF, I, Franklin D. Roosevelt,

President of the United States of America, have caused these letters to be made Patent, and the Seal of the General Land Office to be hereunto affixed.

GIVEN under my hand, at the City of Washington, the TWENTY-FIRST

day of MAY in the year of our Lord one thousand nine hundred and THIRTY-FIVE and of the Independence of the United States the one hundred and FIFTY-NINTH.

By the President:

By

Franklin D. Roosevelt
Louise Polk Wilson, Secretary.
R. Clinton

RECORD OF PATENTS: Patent Number 1075857

Acting

Recorder of the General Land Office.

Survey completed April 18, 1917

61.50

ORIGINAL

Plan of
HOMESTEAD
ENTRY SURVEY
No. 252

in the

BATTEMENT
NATIONAL FOREST

in

Section 17, unurveyed T. 11 S., R. 90 W.
Section 20, unurveyed T. 11 S., R. 90 W.

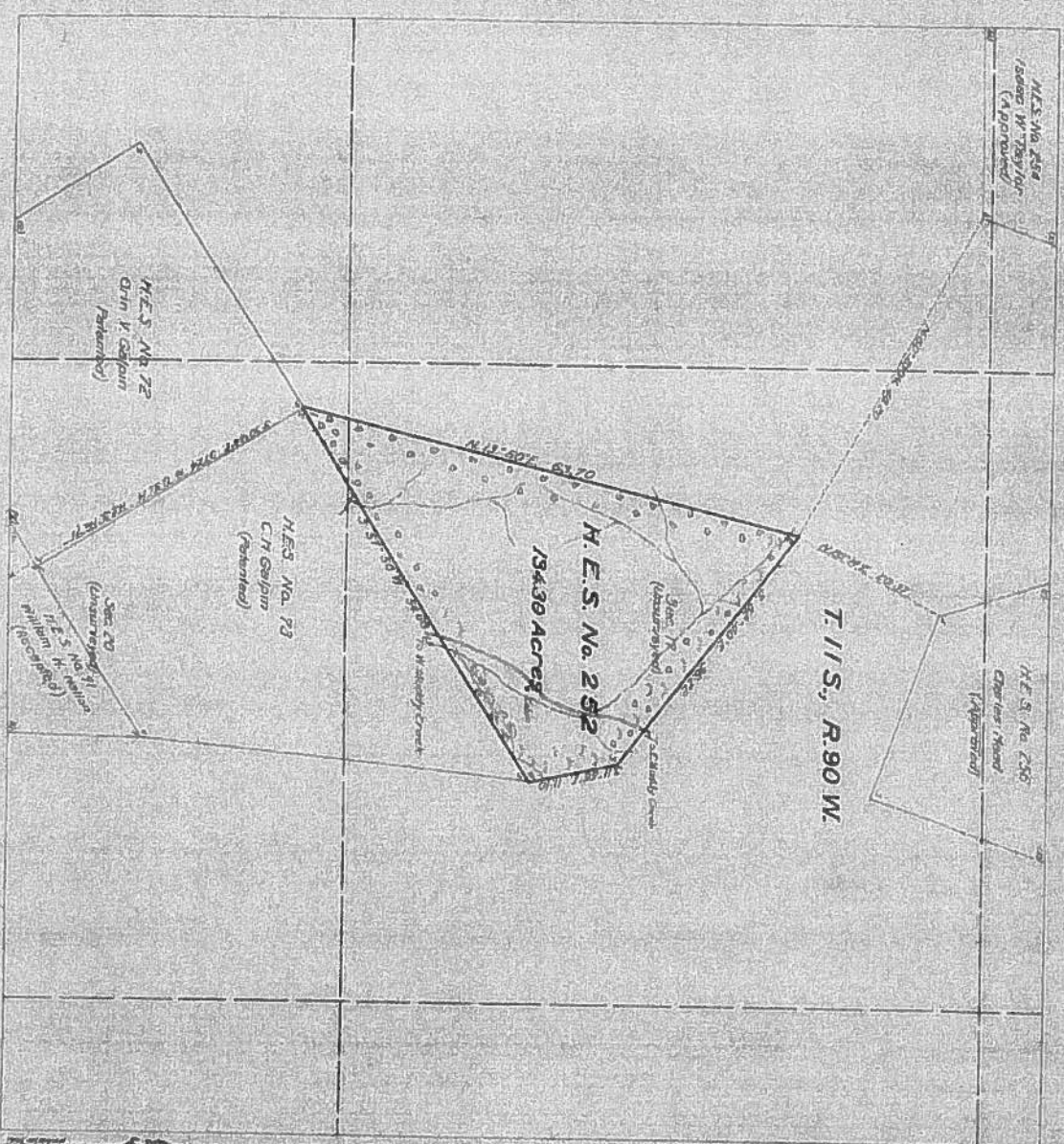
of the

SIXTH PRINCIPAL MERIDIAN
COLORADO

This plan of Homestead Entry Survey
No. 252, State of Colorado, is
affidavit conformable to the field notes
thereon on file in this office, which
have been transmitted and approved
by the proper Governmental Office.

Surveyor, Colorado
Nov 22, 1917

J. B. McQuinn
Commissioner



SCALE 1/8" equals to 1 mile

Survey	Designated	By whom Surveyed	Date	When Surveyed	When Surveyed	When Surveyed	When Surveyed	When Surveyed	When Surveyed
H.E.S. No. 71	71	W.C. Hill, General Survey	1917	Nov. 22, 1917	Dec. 22, 1917	Dec. 22, 1917	Dec. 22, 1917	Dec. 22, 1917	Dec. 22, 1917
H.E.S. No. 72	72	W.C. Hill, General Survey	1917	Nov. 22, 1917	Dec. 22, 1917	Dec. 22, 1917	Dec. 22, 1917	Dec. 22, 1917	Dec. 22, 1917
H.E.S. No. 73	73	W.C. Hill, General Survey	1917	Nov. 22, 1917	Dec. 22, 1917	Dec. 22, 1917	Dec. 22, 1917	Dec. 22, 1917	Dec. 22, 1917
H.E.S. No. 252	252	W.C. Hill, General Survey	1917	Nov. 22, 1917	Dec. 22, 1917	Dec. 22, 1917	Dec. 22, 1917	Dec. 22, 1917	Dec. 22, 1917
H.E.S. No. 253	253	W.C. Hill, General Survey	1917	Nov. 22, 1917	Dec. 22, 1917	Dec. 22, 1917	Dec. 22, 1917	Dec. 22, 1917	Dec. 22, 1917

Survey	Designated	By whom Surveyed	Date	When Surveyed	When Surveyed	When Surveyed	When Surveyed	When Surveyed	When Surveyed
H.E.S. No. 71	71	W.C. Hill, General Survey	1917	Nov. 22, 1917	Dec. 22, 1917	Dec. 22, 1917	Dec. 22, 1917	Dec. 22, 1917	Dec. 22, 1917
H.E.S. No. 72	72	W.C. Hill, General Survey	1917	Nov. 22, 1917	Dec. 22, 1917	Dec. 22, 1917	Dec. 22, 1917	Dec. 22, 1917	Dec. 22, 1917
H.E.S. No. 73	73	W.C. Hill, General Survey	1917	Nov. 22, 1917	Dec. 22, 1917	Dec. 22, 1917	Dec. 22, 1917	Dec. 22, 1917	Dec. 22, 1917
H.E.S. No. 252	252	W.C. Hill, General Survey	1917	Nov. 22, 1917	Dec. 22, 1917	Dec. 22, 1917	Dec. 22, 1917	Dec. 22, 1917	Dec. 22, 1917
H.E.S. No. 253	253	W.C. Hill, General Survey	1917	Nov. 22, 1917	Dec. 22, 1917	Dec. 22, 1917	Dec. 22, 1917	Dec. 22, 1917	Dec. 22, 1917

Survey	Designated	By whom Surveyed	Date	When Surveyed	When Surveyed	When Surveyed	When Surveyed	When Surveyed	When Surveyed
H.E.S. No. 71	71	W.C. Hill, General Survey	1917	Nov. 22, 1917	Dec. 22, 1917	Dec. 22, 1917	Dec. 22, 1917	Dec. 22, 1917	Dec. 22, 1917
H.E.S. No. 72	72	W.C. Hill, General Survey	1917	Nov. 22, 1917	Dec. 22, 1917	Dec. 22, 1917	Dec. 22, 1917	Dec. 22, 1917	Dec. 22, 1917
H.E.S. No. 73	73	W.C. Hill, General Survey	1917	Nov. 22, 1917	Dec. 22, 1917	Dec. 22, 1917	Dec. 22, 1917	Dec. 22, 1917	Dec. 22, 1917
H.E.S. No. 252	252	W.C. Hill, General Survey	1917	Nov. 22, 1917	Dec. 22, 1917	Dec. 22, 1917	Dec. 22, 1917	Dec. 22, 1917	Dec. 22, 1917
H.E.S. No. 253	253	W.C. Hill, General Survey	1917	Nov. 22, 1917	Dec. 22, 1917	Dec. 22, 1917	Dec. 22, 1917	Dec. 22, 1917	Dec. 22, 1917

Glenwood Springs 0322.

4-1000-R.

The United States of America,

Do all to whom these presents shall come, Greeting:

WHEREAS, a Certificate of the Register of the Land Office at **Glenwood Springs, Colorado,**

has been deposited in the General Land Office, whereby it appears that, pursuant to the Act of Congress of May 20, 1862,

"To Secure Homesteads to Actual Settlers on the Public Domain," and the acts supplemental thereto, the claim of

Carl H. Galpin

has been established and duly consummated, in conformity to law, for the H.E. Survey No. 73, embracing a portion of Township eleven south of Range ninety west of the Sixth Principal Meridian, Colorado, more particularly bounded and described as follows: Beginning at corner No. 1, from which U. S. Location Monument H.E.S. No. 71 bears south thirty degrees twenty-seven minutes east fifty-eight and sixty-five hundredths chains distant; thence north thirty-one degrees thirty-nine minutes west thirty-eight and five-tenths chains to corner No. 2; thence north fifty-seven degrees fifty-eight minutes east fifty-four and fifty-eight hundredths chains to corner No. 3; thence south five degrees thirty-nine minutes west forty-eight and seventy-six hundredths chains to corner No. 4; thence south fifty-eight degrees eleven minutes west twenty-four and ninety-eight hundredths chains to corner No. 1, the place of beginning; containing one hundred fifty-three and thirty-nine hundredths acres,

according to the Official Plat of the Survey of the said Land, returned to the GENERAL LAND OFFICE by the Surveyor-General:

NOW KNOW YE, That there is, therefore, granted by the UNITED STATES unto the said claimant the tract of Land above described; TO HAVE AND TO HOLD the said tract of Land, with the appurtenances thereof, unto the said claimant and to the heirs and assigns of the said claimant forever; subject to any vested and accrued water rights for mining, agricultural, manufacturing, or other purposes, and rights to ditches and reservoirs used in connection with such water rights, as may be recognized and acknowledged by the local customs, laws, and decisions of courts; and there is reserved from the lands hereby granted, a right of way thereon for ditches or canals constructed by the authority of the United States.

IN TESTIMONY WHEREOF, I, **Woodrow Wilson**

President of the United States of America, have caused these letters to be made Patent, and the seal of the General Land Office to be hereunto affixed.

GIVEN under my hand, at the City of Washington, the **TWELFTH**

(SEAL.)

day of **JULY** in the year of our Lord one thousand nine hundred and **SEVENTEEN** and of the independence of the United States the one hundred and **FORTY-SECOND**

By the President:

By

Woodrow Wilson
E. D. Bullock, Assistant Secretary.
E. J. Samar,
Recorder of the General Land Office.

RECORD OF PATENTS: Patent Number **591714**

9-1171

Exhibit 3

List of Persons Entitled to Receive
Notice of Application (1307-SP-1117)

Applicant

Gunnison Energy Corporation
1801 Broadway, Suite 1200
Denver, Colorado 80202

Applicant's Attorney

David R. Little
Bjork Lindley Little PC
1600 Stout Street, Suite 1400
Denver, CO 80202

Governments

David Baumgarten
Gunnison County
200 East Virginia
Gunnison, CO 81230

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

Kent Kuster
Oil & Gas Consultant Coordinator
Colo Dept of Public Health & Envir.
4300 Cherry Creek Drive South
Denver, CO 80243-1530

BLM Colorado State Office
2850 Youngfield Street
Lakewood, CO 80215-7093

Interested Other Persons

SG Interests VII, Ltd.
100 Waugh Drive, Suite 400
Houston, TX 77007

Riviera Drilling & Exploration Company
2491 Fountain Greens Place, Unit A2
Grand Junction, CO 81505-8639

Randy F. Spadafora
9950 3200 Road
Hotchkiss, CO 81419

Riviera Drilling & Exploration Company
1441 N. Mayfair Road
Wauwatosa, WI 53226

James R. Hockenberry
6260 County 265
Somerset, CO 81434

Riviera Drilling & Exploration Company
P.O. Box 117
Hotchkiss, CO 81419

Bar-K Ranch, Inc.
2685 Continental Drive
Grand Junction, CO 81506

Thomas M. Kim, Plan Administrator for
Riviera Drilling & Exploration Company
R2 Advisors, LLC
1350 17th Street, Suite 206
Denver, CO 80202

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AND SPACING UNIT AND APPROVING THE)
DRILLING OF UP TO 15 HORIZONTAL)
WELLS FOR THE MANCOS FORMATION IN)
SECTIONS 7, 8, 17, 18, 19, 20, 21 AND 22,)
TOWNSHIP 11 SOUTH, RANGE 90 WEST,)
6th P.M. IN GUNNISON COUNTY,)
COLORADO)

CAUSE NO. _____

DOCKET NO. _____

CERTIFICATE OF SERVICE AND AFFIDAVIT OF MAILING
OF VERIFIED APPLICATION

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

David R. Little, of lawful age, being first duly sworn upon oath, states and declares:

1. On May 30, 2013, Gunnison Energy Corporation (the "Applicant") filed a Verified Application for an order establishing an approximately 3,583-acre drilling and spacing unit (North Sheep) and approving the drilling of up to 15 horizontal wells for the Mancos formation in Sections 7, 8, 17, 18, 19, 20, 21 and 22, Township 11 South, Range 90 West, 6th p.m. in Gunnison County,

2. The Applicant has prepared a list of those persons entitled to notice of the Verified Application as required by Commission Rules 503.e, 507.b(1) and 507.b(2). This list of persons is attached to this Certificate of Service and Affidavit of Mailing and marked as Exhibit 3.

3. I am a shareholder with Bjork Lindley Little PC, counsel for the Applicant. I have personal knowledge of the matters discussed in this Affidavit.

4. On May 31, 2013, I arranged the mailing of a copy of the Verified Application, including both Exhibits 1 and 2 (attached hereto), via first class mail, postage prepaid, to each person listed on Exhibit 3.

By: _____

David R. Little

Subscribed and sworn to before me this 5th day of June 2013.

Witness my hand and official seal.

My commission expires:

Elvira Z. Weinstein

Notary Public

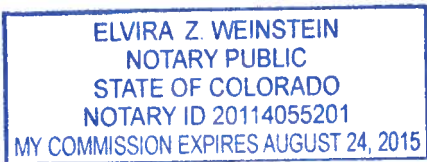


Exhibit 3

List of Persons Entitled to Receive
Notice of Application

Applicant

Gunnison Energy Corporation
1801 Broadway, Suite 1200
Denver, Colorado 80202

Applicant's Attorney

David R. Little
Bjork Lindley Little PC
1600 Stout Street, Suite 1400
Denver, CO 80202

Governments

David Baumgarten
Gunnison County
200 East Virginia
Gunnison, CO 81230

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

Kent Kuster
Oil & Gas Consultant Coordinator
Colo Dept of Public Health & Envir.
4300 Cherry Creek Drive South
Denver, CO 80243-1530

BLM Colorado State Office
2850 Youngfield Street
Lakewood, CO 80215-7093

Interested Other Persons

SG Interests VII, Ltd.
100 Waugh Drive, Suite 400
Houston, TX 77007

Riviera Drilling & Exploration Company
2491 Fountain Greens Place, Unit A2
Grand Junction, CO 81505-8639

Randy F. Spadafora
9950 3200 Road
Hotchkiss, CO 81419

Riviera Drilling & Exploration Company
1441 N. Mayfair Road
Wauwatosa, WI 53226

James R. Hockenberry
6260 County 265
Somerset, CO 81434

Riviera Drilling & Exploration Company
P.O. Box 117
Hotchkiss, CO 81419

Bar-K Ranch, Inc.
2685 Continental Drive
Grand Junction, CO 81506

Thomas M. Kim, Plan Administrator for
Riviera Drilling & Exploration Company
R2 Advisors, LLC
1350 17th Street, Suite 206
Denver, CO 80202