

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

IN THE MATTER OF THE APPLICATION OF)	
URSA OPERATING COMPANY LLC TO)	
ESTABLISH AN APPROXIMATE 160-ACRE)	CAUSE NOS.
DRILLING AND SPACING UNIT FOR THE NE¼)	
OF SECTION 11, TOWNSHIP 6 SOUTH, RANGE)	DOCKET NO.
92 WEST, GARFIELD COUNTY, AND TO)	
ALLOW TEN-ACRE BOTTOMHOLE WELL)	
DENSITY FOR THE WILLIAMS FORK AND ILES)	
FORMATIONS, PARACHUTE FIELD, GARFIELD)	
COUNTY, COLORADO)	

APPLICATION

COMES NOW, Ursa Operating Company LLC ("Ursa" 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"), pursuant to C.R.S. § 34-60-116(2), for an order to establish an approximate 160-acre drilling and spacing unit, allowing 10-acre bottomhole well density therein, for the development of the Williams Fork and Iles Formations on the following lands:

Township 6 South, Range 92 West, 6th P.M.
Section 11: NE¼

Garfield County, Colorado ("Application Lands")

In support of its Application, Applicant states and alleges as follows:

1. Applicant is a limited liability company duly registered to conduct business in Colorado and is an operator in good standing with the Commission.
2. Applicant owns a substantial leasehold interest in the Application Lands. A reference map is attached hereto.
3. Rule 318.a. of the Rules and Regulations of the Oil and Gas Conservation Commission requires that wells drilled in in excess of two thousand five hundred (2,500) feet in depth shall be located not less than six hundred (600) feet from any lease line, and shall be located not less than one thousand two hundred (1,200) feet from any other producible or drilling oil or gas well when drilling to the same source of supply, unless authorized by order of the Commission upon hearing. There are no other specific Commission Orders applicable to the Williams Fork and Iles Formations underlying the Application Lands.
4. 10-acre well density has become standard for Williams Fork and Iles Formation development in the area of the Application Lands, and Applicant seeks authorization to drill the equivalent of one well per 10 acres for the proposed unit comprising the Application Lands.
5. In accordance with standard unit boundary setbacks in the area, Applicant proposes that the bottom-hole location of the authorized wells be no less than 100 feet from the proposed

unit boundaries, except that such setback shall be 200 feet with respect to adjoining and cornering lands for which the Commission, at the time of drilling, has not approved equivalent well offsets.

6. In accordance with standard surface location restrictions applied to 10-acre well density units in the area, Applicant agrees limit its well pads to no more than one per 40 acres.

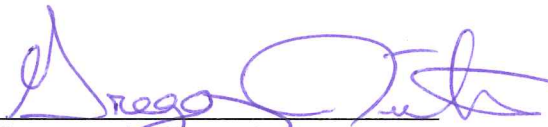
7. The establishment of the proposed unit and the authorization of 10-acre bottom-hole well density will facilitate the maximum efficient recovery of oil, gas and associated hydrocarbons from the Williams Fork and Iles Formations from the Application Lands.

8. In order to promote efficient drainage of the Williams Fork and Iles Formations, to prevent waste, and to protect correlative rights, the Commission should establish an approximate 160-acre drilling and spacing unit comprised of the Application Lands, and authorize the equivalent of one well per 10 acres to be drilled thereon. The specified size and configuration of the proposed unit are consistent with the maximum area that can be economically and efficiently drained by the requested wells.

9. Applicant certifies that copies of this Application will be served on all interested parties no later than seven business days after the filing of this Application, in accordance with Rules 503(e) and 507(b)(1).

WHEREFORE, Applicant requests that this matter be set for hearing at the next available opportunity, notice be given as required by law, and that upon such hearing, the Commission enter its order consistent with Applicant's petition. Applicant agrees to be bound by the oral order of the Commission in this regard.

Dated: January 16, 2014

By: 
Gregory J. Nibert Jr.
Beatty & Wozniak, P.C.
216 Sixteenth Street-Suite 1100
Denver, CO 80202-5115

Address of Applicant
Jarred McGhee
Ursa Operating Company LLC
1050 17th St., Suite 2400
Denver, CO 80265

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COUNTY, COLORADO)

AFFIDAVIT OF MAILING

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

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

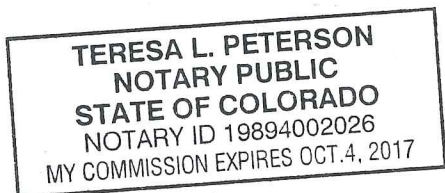
That she is a Legal Assitant for Beatty & Wozniak P.C. the attorneys for Ursa Operating Company, LLC, that on or before January 23rd, 2014, she caused a copy of the attached Application to be deposited in the United States Mail, postage prepaid, addressed to the parties listed on Exhibit A to the Application.


Jennifer Pittenger

Subscribed and sworn to before me January 16, 2014.

Witness my hand and official seal.

My commission expires: 10-04-17.





Notary Public

EXHIBIT A

Ursa Operating Company LLC
1050 17th St., Ste. 2400
Denver, CO 80265

Apollo Energy, LLC
1557 Ogden Street, Suite 300
Denver, CO 80218

Dolphin Energy Corporation
1331 17th Street, Suite 730
Denver, CO 80202

Exxel Energy (USA) Inc.
Independence Plaza, B-180
1001 Sixteenth Street
Denver, CO 80265

Steven W. Weller and Toni L. Weller, TIC
415 Bayou Cove Court
Houston, TX 77042

Charles F. and Eva Charlene Weller, TIC
5331 Fenwick Way Court
Sugar Land, TX 77479

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New Castle, CO 81647

Zachary W. Johnson
1234 Kalamath Street
Denver, CO 80204

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Mereidian, ID 83642

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6060 North Central Expressway, Suite
305
Dallas, TX 75206

Kelly Lyon and Jeanette Lyon
Post Office Box 110
Silt, CO 81652-0110

Freeman Investments
3415 South Clayton Boulevard
Englewood, CO 80113-7611

WYOTEX Oil Company
Post Office Box 36157
Denver, CO 80236

Huckleberry Minerals, LLC
15250 Emporia Street
Brighton, CO 80602

Excel Land Services, LLC
Post Office Box 132526
Tyler, TX 75713

JLW Investment, LLC
2432 West 82nd Place, Suite I
Westminster, CO 80031

Parker Geoscience Consulting, LLC
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Boise, ID 83709

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Mercedes Rodriguez
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John D. Dahl
34651 Highway 6
Silt, CO 81652

Robin Schreiner and Nancy
Schreiner
34641 Highway 6 & 24
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David A. Wanzer and Debbra L. Wanzer
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Silt, CO 81652-9529

Alpine Bank
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Glenwood Springs, CO 81602

The Discovery Foundation
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305
Dallas, TX 75206

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Rifle, CO 81650

Guy Geoffery Middleton
1912 County Road 311
New Castle, CO 81647

Thomas Lee Wisdom
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Colorado Springs, CO 80911

Colorado Department of Transportation
Property Management Section
Real Estate Division
Attn: Mark Kendall
15285 South Golden Road, Building 47
Golden, CO 80401

Union Pacific Railroad
c/o Farmers National Company
Oil and Gas Leasing
Attn: Samantha Morgan
5110 South Yale, Suite 400
Tulsa, OK 74135

Garfield County Board of County
Commissioners
108 8th Street, Suite 213
Glenwood Springs, CO 81601

Flat Tops, LLC
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Lakeview, AR 72642

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Silt, CO 81652

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DeBeque, CO 81630

Mary Ramona Walker
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Silt, CO 81652

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Kuna, ID 83634

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Eagle, ID 83616

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Arizona City, AZ 85123

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Palisade, CO 81526

Frank Deyoe Green
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Beulah, ND 58523

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

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Garfield County
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Rifle, CO 81650-8412

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Pueblo West, CO 81007

Charles Allen Bagley
627 North Happy Valley Road
Nampa, ID 83687

Susie Geiser
2780 143rd Avenue, #70
Rapid City, SD 57701

June Aleta McNamee
21007 North 124th Avenue
Sun City West, AZ 85275

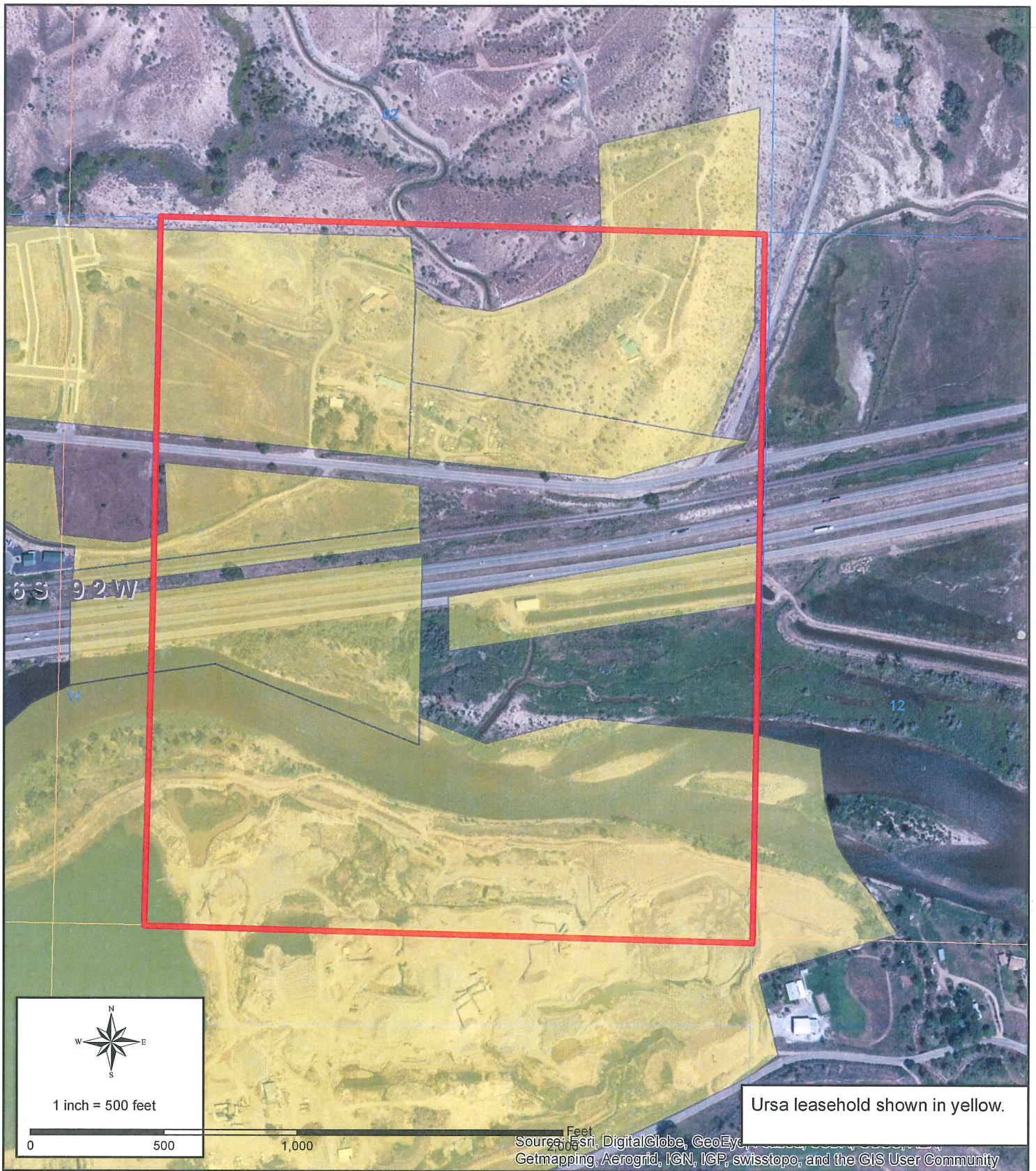
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Box Elder, SD 57719

Marylee Hoaglund
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Northglenn, CO 80234

Paul Lewis Bagley
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Silt, CO 81652

McClung Trust
Stella Caroline McClung, Trustee
4200 Summers Lane, #58
Klamath Falls, OR 97603

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



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1050 17th Street Suite 2400
Denver, CO 80265
(720) 508-8350

Garfield County, Colorado

NE/4 Section 11 T6S-R92W

10 acre Spacing Application Lands