

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

IN THE MATTER OF THE APPLICATION OF RED) CAUSE NO.
HAWK PETROLEUM LLC, FOR AN ORDER APPLYING)
THE COST RECOVERY PROVISIONS OF C.R.S. 34-) DOCKET NO.
60-116(7) TO TWO ADDITIONAL WELLS IN AN)
ESTABLISHED 1280-ACRE DRILLING AND SPACING)
UNIT, WITH ALL INTERESTS IN SUCH 1280-ACRE)
DRILLING AND SPACING UNIT POOLED IN ORDER)
NO. 535-137, LOCATED IN SECTIONS 2 AND 11,)
TOWNSHIP 7 NORTH, RANGE 60 WEST, 6TH P.M.,)
WATTENBERG FIELD, WELD COUNTY, COLORADO)

APPLICATION

COMES NOW Red Hawk Petroleum LLC ("Applicant"), by and through its attorneys, Jost & Shelton Energy Group, P.C., and respectfully submits this Application to the Oil and Gas Conservation Commission of the State of Colorado ("Commission"), for an order applying the cost recovery provisions of C.R.S. 34-60-116(7) to two additional wells, the Loomis 2-3H (API No. pending) and Loomis 2-6H (API No. pending), within an established 1280-acre Exploratory Drilling and Spacing Unit, with all interests in such 1280-acre Exploratory Drilling and Spacing Unit pooled in Order No. 535-137, for the development and operation of the Niobrara Formation underlying:

Township 7 North, Range 60 West, 6th P.M.

Section 2: All

Section 11: All

Weld County, Colorado (hereinafter referred to as the "Application Lands" or the "1280-acre Drilling and Spacing Unit")

In support of its application, Applicant states and avers 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. Order Nos. 407-514 and 535-104, entered by the Commission on December 12, 2011, among other things, established an approximate 1,280-acre drilling and spacing unit for Sections 2 and 11, Township 7 North, Range 60 West, and approved one horizontal well within the unit, regardless of lease lines within the unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation, with the surface location of the permitted well to be located on the surface anywhere within the proposed unit and the treated interval of the wellbore for the permitted well to be no closer than 600 feet from the unit boundaries, for lands subject to Rule 318.a.,

and no closer than 460 feet from the unit boundaries for lands subject to Rule 318A, without exception being granted by the Director.

4. Order Nos. 407-725 and 535-214, entered by the Commission on November 15, 2012, authorized one (1) additional horizontal well, for a total of two (2) horizontal wells within an approximate 1,280-acre drilling and spacing unit for Sections 2 and 11, Township 7 North, Range 60 West, 6th P.M. for the production of oil, gas and associated hydrocarbons from the Niobrara Formation, with the surface locations for the wells to be anywhere within the unit but no more than one (1) surface location per quarter-quarter, and with the treated interval of any horizontal wellbore to be no closer than wellbore to be located no closer than 600 feet from the unit boundaries, and no closer than 150 feet from the treated interval of any other wellbore located in the unit, without exception being granted by the Director.

5. Order No. 535-137, entered by the Commission on January 23, 2012, pooled all interests in the 1280-acre Drilling and Spacing Unit for the Application Lands, for the development and operation of the Niobrara Formation, effective as of the earlier of the date of the Application, or the date that any of the costs specified in C.R.S. § 34-60-116(7)(b)(II) were first incurred for the drilling of the initial horizontal well in the 1280-acre Drilling and Spacing Unit.

6. Order No. 535-488, entered by the Commission on June 17, 2014, authorized up to twelve (12) additional wells ("Additional Wells"), for a total of up to fourteen (14) wells within the 1280-acre Drilling and Spacing Unit established for the Niobrara Formation in the Application Lands.

7. Order No. 535-501, entered by the Commission on June 17, 2014, applied Order No. 535-137 to the Additional Wells, and also to certain parties who had been previously unlocatable and therefore had not received notice of the hearing pertaining to Order No. 535-137. Order No. 535-501 also applied the cost recovery provisions of C.R.S. § 34-60-116(7)(b) to nonconsenting parties insofar as costs are or were incurred for the Loomis 2-1H Well (API No. pending), to be drilled in the Application Lands.

8. Applicant now seeks the cost recovery provisions of C.R.S. § 34-60-116(7)(b) to apply to the following wells, drilled or to be drilled, in the Application Lands.

- a. Loomis 2-3H (API No. pending)
- b. Loomis 2-6H (API No. pending)

Applicant maintains that all interests in the 1280-acre Exploratory Drilling and Spacing Unit made up of the Application Lands were pooled in Order No. 535-137, and confirmed by Order No. 535-501.

9. The grounds upon which Applicant seeks to apply the cost recovery provisions of C.R.S. 34-60-116(7) to the two additional wells are set forth below. Specifically:

a. Applicant owns substantial leasehold interests in the Application Lands.

b. The Application Lands were established as an approximate 1,280-acre drilling and spacing unit for the Niobrara Formation.

c. Applicant intends to drill additional horizontal wells for the production of oil and associated hydrocarbons from the Niobrara Formation underlying the Application Lands.

d. Applicant has, or will within 30 days prior to the September 15-16, 2014 Commission hearing, comply with Rule 530 and, as applicable, submit an offer to lease and/or participate in the Loomis 2-3H well and Loomis 2-6H well, including an AFE containing the information required under Rule 530.a.

e. Applicant intends to apply the applicable cost recovery provisions of C.R.S. 34-60-116(7) to any nonconsenting parties in the Loomis 2-3H well.

f. Applicant intends to apply the applicable cost recovery provisions of C.R.S. 34-60-116(7) to any nonconsenting parties in the Loomis 2-6H well.

10. Applicant requests that the Commission's order applying the cost recovery provisions of C.R.S. 34-60-116(7) be applicable to the Loomis 2-3H well effective as of the earlier of the date of this Application, or the date that the costs specified in C.R.S. 34-60-116(7)(b) are first incurred for the drilling of the Loomis 2-3H well to the Niobrara Formation on the Application Lands.

11. Applicant requests that the Commission's order applying the cost recovery provisions of C.R.S. 34-60-116(7) be applicable to the Loomis 2-6H well effective as of the earlier of the date of this Application, or the date that the costs specified in C.R.S. 34-60-116(7)(b) are first incurred for the drilling of the Loomis 2-6H well to the Niobrara Formation on the Application Lands.

12. Applicant certifies to that copies of this Application will be served on all persons owning an interest in the mineral estate of the tracts pooled in the 1280-acre Exploratory Drilling and Spacing Unit, within seven (7) days of the date hereof, as required by Rule 507.b.(2). The list of such interested parties is attached hereto as Exhibit A.

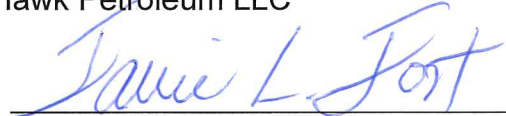
WHEREFORE, Applicant requests that this matter be set for hearing, that notice thereof be given as required by law, and that upon such hearing the Commission enter its order declaring that the cost recovery provisions of C.R.S. § 34-60-116(7)(b) apply to the Loomis 2-3H well and the Loomis 2-6H well and for such other findings and orders as the Commission may deem proper or advisable in the premises.

DATED this 17th day of July, 2014.

Respectfully submitted:

Red Hawk Petroleum LLC

By:



Jamie L. Jost
James P. Parrot
Jost & Shelton Energy Group, P.C.
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jjost@jsenergygroup.com
jparrot@jsenergygroup.com

Applicant's Address:

Red Hawk Petroleum LLC
4125 Blackhawk Plaza Circle, Suite 201A
Danville, CA 94506

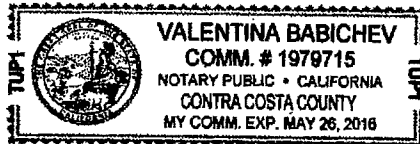
STATE OF CALIFORNIA)
) ss.
COUNTY OF CONTRA COSTA)

RED HAWK PETROLEUM LLC



Subscribed and sworn to before me this 17 day of July, 2014, by Frank C. Ingriselli, President of Red Hawk Petroleum LLC.

My commission expires: May 26, 2016



Valentina Cruz
Notary Public

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TOWNSHIP 7 NORTH, RANGE 60 WEST, 6TH P.M.,)
WATTENBERG FIELD, WELD COUNTY, COLORADO)

AFFIDAVIT OF MAILING

STATE OF COLORADO)
) ss.
COUNTY OF DENVER)

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

That she is the attorney for Red Hawk Petroleum LLC, that on or before July 24, 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.



Jamie L. Jost

Subscribed and sworn to before me this 14th day of July, 2014.

Witness my hand and official seal.

My commission expires: 06/16/2018



Notary Public

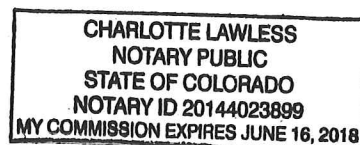


Exhibit A

Interested Party List

Loomis 2-3H, 2-6H

Joan Sims
13601 N 115th St.
Longmont, CO 80504

Rodella Minerals, LLC
10320 N. Chatfield Dr.
Littleton, CO 80120

Wayne D. Thomas Trust, c/o
Wayne Dwight Thomas, Trustee
657 S 2100 West
Vernal, UT 84078

STA, LLC
3833 W Dallas St.
Broken Arrow, OK 74012

Bonnie Dorn
15442 Hwy 144
Fort Morgan, CO 80701

Estate of Harold R. Firme, deceased
318 N. Washington
Haxtun, CO 80731

Virginia Fontaine
1469 W 120 Ave.
Northglenn, CO 80260

Estate of Lyle R. Ham, deceased
422 N. Walker
Huxtun, CO 80731

Marvin Thomas Living Trust
c/o Marvin Thomas, Trustee
13908 South 2200 West
Bluffdale, UT 84065

City of Wray, Colorado, a Municipal
corporation
P.O. Box 35
Wray, CO 80758 (2011)

Wilbur E. Thomas
15450 Hwy 144
Fort Morgan, CO 80701

Wray Area Foundation, Inc., a Colorado no-
profit corporation
P.O. Box 314
Wray, CO 80758 (2011)

Edwin C. Jess and
Hazel M. Jess, Joint Tenants
16193 Road West
Fort Morgan, CO 80701

Keybank National Association, Co-Trustee
with George R. Haffke and E. William
Haffke, Jr., under the will of George A. Doll
101 South Main Street
2nd Floor
Elkhart, IN 46516

MK/Colorado, LLC
2311 Cedar Springs
Suite 405
Dallas, TX 75201 (2012)

The United Methodists Church of Wray,
Colorado, a non-profit corporation
500 Blake Street
Wray, CO 80758 (2011)

Greg R. Thome
17737 E. Bellevue Place
Centennial, CO 80015

Patricia Ann Carter
108 Residents Lane
Branson, MO 65616 (2010)

Bayshore Minerals, LLC
1520 West Canal Court #200
Littleton, CO 80120

Jay Kenneth Littlefield
117 Juniper Drive
Sterling, CO 80751 (2010)

Amber Waves, a general partnership
25210 Highway 392
Greeley, CO 80631 (2010)

James K. Ullmann and Sherry Ullmann,
joint tenants
119 N. Fremont Ave.
Johnstown, CO 80534 (2013)

Hat Creek Royalty, LTD
P.O. Box 3240
Midland, TX 79702 (2012)

Linda L. Santora
813 E. 20th St. Dr.
Greeley, CO 80634 (2010)

Patricia A. Truesdell
2205 37th Street #40
Evans, CO 80620 (2013)

Kristen L. Johnson
830 Holmes Place
Berthod, CO 80513

Danielle Ullmann, a single woman
P.O. Box 271606
Fort Collins, CO 80527

Todd R. Ullmann
800 Fairlane Ave., Apt B
Longmont, CO 80501

Red Hawk Petroleum LLC 4125 Blackhawk
Plaza Circle, Suite 201A
Danville, CA 94506

Prima Exploration, Inc.
100 Fillmore Street
Denver, CO 80206 (2013)

Blackland Petroleum, LLC
17190 East Dorado Pl.
Centennial, CO 80015

RJ Resources Corp.
c/o Platinum Partners
Carnegie Hall Tower
152 West 57th Street, 4th Floor
New York, NY 10019

Apple Creek, LLC
335 South York Street
Denver, CO 80209

Gene F. Lang & Co.
Parker Station
19751 East Mainstreet, Suite 334
Parker, CO 80138

Noble Energy, Inc.
1625 Broadway
Denver, CO 80202

Prima Exploration, Inc., as Nominee for
Marshall Resources, LLC
4295 South Fox Street
Englewood, CO 80110

Sharp Energy Resources, Inc.
1700 Broadway, Suite 650
Denver, CO 80290