

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

IN THE MATTER OF THE PROMULGATION)	CAUSE NO. 352
AND ESTABLISHMENT OF FIELD RULES TO)	
GOVERN OPERATIONS FOR THE NIOBRARA)	DOCKET NO. 150300100
FORMATION, WAGES FIELD, YUMA)	
COUNTY, COLORADO)	TYPE: SPACING

ENTRY OF APPEARANCE

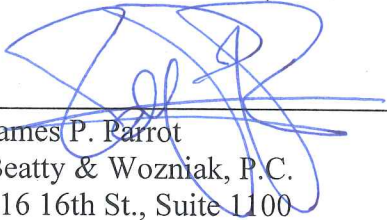
The undersigned members of the firm of Beatty & Wozniak, P.C., attorneys for Augustus Energy Partners, LLC, applicant in the above-referenced docket, enters their appearance therein.

Dated this 3rd day of February, 2015.

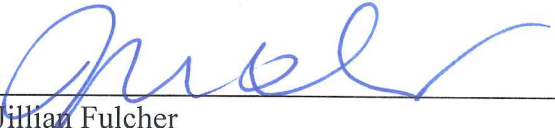
Respectfully submitted,

BEATTY & WOZNIAK, P.C.

By: _____


James P. Parrot
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BEFORE THE OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF COLORADO

IN THE MATTER OF AN APPLICATION Cause No.
BY AUGUSTUS ENERGY RESOURCES) Docket No.
LLC FOR AN ORDER TO ESTABLISH AN)
APPROXIMATE 160 ACRE DRILLING)
AND SPACING UNIT FOR SECTION 31,))
TOWNSHIP 5 NORTH, RANGE 45 WEST)
6TH P.M., YUMA COUNTY, COLORADO.)

APPLICATION

AUGUSTUS ENERGY RESOURCES LLS (referred to herein as "Applicant"), makes application to the Oil and Gas Conservation Commission of the State of Colorado ("Commission"), for an order establishing one (1) 160-acre drilling and spacing unit for production of oil, gas, and associated hydrocarbon, and 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 leasehold interest in Yuma County, Colorado, specifically within the area requested to establish a 160-acre drilling and spacing unit as set forth below:

Township 5 North, Range 45 West, 6th P.M.
Section 31: SE1/4

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. Rule 318.a. of the Commission Rules provides a well to be drilled 2,500 feet or greater shall be located not less than 600 feet from any lease line, and shall be located not less than 1,200 feet from any other producible or drilling oil or gas well when drilling to the same common source of supply, unless authorized by the Commission upon hearing. The Application Lands are subject to this Rule for the production of oil, and gas from the Niobrara Formation.
4. The Applicant in November of 2013 drilled one well on the Application Lands, the "Lueking 44-31 5N45W" Well, located in the SE1/4SE1/4 of Section 31, Township 5 North, Range 45 West. In April of 2014 also completed one well that was drilled by JW Operating in 2004, but was not completed, the "Shiner 01-31" Well, located in the NE1/4SE1/4 of Section 31, Township 5 North, Range 45 West.
5. There is divided leasehold ownership for the SE1/4 of Section 31, Township 5 North, Range 45 West. Applicant is the only working interest owner and lessee of the 160-acres, more, or less, on the SE1/4, of Section 31, Township 5 North, Range 45 West.

6. The Shiner 01-31 Well was drilled approximately 200 feet from the Federal Lease in the W1/2 of Section 31, Township 5 North, Range 45 West, therefore; violating the Commission Rule 318.a requirement of a well shall be located not less than 600 feet from any lease line. Therefore; as recommended by the Colorado Oil and Gas Conservation Commission and the Bureau of Land Management, Applicant is requesting the 160-Acre drilling and spacing unit. Once approved Applicant will apply to pool the minerals in the SE1/4, Section 31, Township 5 North, Range 45 West, which will be followed up with a Communization Agreement with the Bureau of Land Management.
7. Communication with the Bureau of Land Management indicates that they will consent to this Application.
8. Applicant asserts the establishment of a 160-Acre drilling and spacing unit on the Application Lands is in the best interests of conservation, including accurate production accounting and efficient operation of the wells, is necessary to prevent waste, protect correlative rights and to assure the greatest recovery of gas and associated hydrocarbons from the Niobrara Formation.
9. Applicant asserts the 160-Acre drilling and spacing units can be developed in a manner consistent with protection of public health, safety and welfare.
10. That the names and addresses of the interested parties according to the information and belief of the Applicant are set forth in Exhibit B 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 a 160-Acre drilling and spacing unit for the Application lands for the production of gas associated hydrocarbons from the Niobrara Formation underlying the Application Lands.
- B. For such other findings and orders as the Commission may deem proper or advisable in the premises.

Dated this 19th day of December, 2014

Respectfully submitted,

By: _____
Duane Zimmerman
Vice President of Operations
Augustus Energy Resources LLC
2016 Grand Avenue, Suite A
Billings, MT 59106

Applicant's Address:
Augustus Energy Resources LLC
2016 Grand Avenue, Suite A
Billings, MT 59106

VERIFICATION

STATE OF MONTANA

Steve Durrett, President with Augustus Energy Resources 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.

Augustus Energy Resources LLC

Steve Durrett, President

Subscribed and sworn to before me this ____ day of December, 2014, by Steve Durrett, President, with Augustus Energy Resources LLC.

Witness my hand and official seal.

My commission expires: _____

Notary Public

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TOWNSHIP 5 NORTH, RANGE 45 WEST)
6TH P.M., YUMA COUNTY, COLORADO.

AFFIDAVIT OF MAILING

State of Montana)
)ss.
)
YELLOWSTONE COUNTY

Duane Zimmerman, of lawful age, and being first duly sworn upon his oath, states and declares:

That he is a Vice President for Augustus Energy Resources LLC, that on or before December 19, 2014, he caused a copy of the attached Application to be deposited in the United States Mail, postage prepaid, addressed to the parties listed on Exhibit B to the Application.

Duane Zimmerman

Subscribed and sworn to before me December 19, 2014
Witness my hand and official seal.
My commission expires: _____

Notary Public