

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

IN THE MATTER OF THE APPLICATION OF CUB CREEK)	
ENERGY, LLC, FOR AN ORDER ESTABLISHING AN)	CAUSE NO. 407
APPROXIMATE 320-ACRE DRILLING AND SPACING)	
UNIT FOR THE S½ OF SECTION 20, TOWNSHIP 3 NORTH,)	DOCKET NO. <i>To be assigned</i>
RANGE 68 WEST, 6 TH P.M., AND AUTHORIZING THE)	
DRILLING OF TEN HORIZONTAL WELLS WITHIN SAID)	
UNIT, FOR PRODUCTION FROM THE CODELL-)	
NIOBRARA FORMATION, AND POOLING ALL)	
INTERESTS WITHIN THE PROPOSED UNIT, FOR THE)	
DEVELOPMENT AND OPERATION OF THE CODELL-)	
NIOBRARA FORMATION, WATTENBERG FIELD, WELD)	
COUNTY, COLORADO)	

APPLICATION

Cub Creek Energy, LLC (“Cub Creek” or “Applicant”), Operator #10542, by and through its attorneys, Shanor & Collins LLC, respectfully submits this Application to the Oil and Gas Conservation Commission of the State of Colorado (“Commission” or “COGCC”) for an order: **(1)** establishing an approximate 320-acre drilling and spacing unit for Section 20, Township 3 North, Range 68 West, 6th P.M., and authorizing the drilling of ten (10) horizontal wells within the proposed unit, for the production of oil, gas and associated hydrocarbons from the Codell-Niobrara Formation; **(2)** pooling all interests for the approximate 320-acre drilling and spacing unit to be established for the Application Lands, for the development and operation of the Codell-Niobrara Formation, and subjecting any nonconsenting owners to statutory recovery of costs and penalties; and **(3)** maintaining allocation of proceeds for any existing wells located within the proposed unit and producing from the Codell and/or Niobrara Formations. In support of this Application (“Application”), Applicant states and alleges as follows:

1. Applicant is a corporation duly authorized to conduct business in the State of Colorado, and has registered as an operator with the COGCC.

2. Applicant owns substantial leasehold interests in the below-listed lands (“Application Lands”):

Township 3 North, Range 68 West, 6th P.M.
Section 20: S½

The Application Lands comprise 320 acres, more or less, and are depicted on the Application Map, Exhibit A, attached hereto.

3. On December 19, 1983, the Commission issued Order No. 407-1 (amended March 29, 2000) which, among other things, established 80-acre drilling and spacing units for the production of oil, gas and associated hydrocarbons from the Codell Formation, with the unit to be designated by the operator drilling the first well in the quarter section. The permitted well shall be located in the center of either 40-

acre tract within the unit with a tolerance of 200 feet in any direction. The operator shall have the option to drill an additional well on the undrilled 40-acre tract in each 80-acre drilling and spacing unit. The Application Lands are subject to this Order for the Codell Formation.

4. On February 19, 1992, the Commission issued Order No. 407-87 (amended August 20, 1993) which, among other things, established 80-acre drilling and spacing units for the production of oil, gas and associated hydrocarbons from the Codell and Niobrara Formations, with the permitted well locations in accordance with the provisions of Order No. 407-1. The Application Lands are subject to this Order for the Codell and Niobrara Formations.

5. On April 27, 1988, the Commission adopted Rule 318A which, among other things, allowed certain drilling locations to be utilized to drill or twin a well, deepen a well or recomplete a well and to commingle any or all Cretaceous Age Formations from the base of the Dakota Formation to the surface. Rule 318A supersedes all prior Commission drilling and spacing orders affecting well location and density requirements of Greater Wattenberg Area wells. On December 5, 2005, Rule 318A was amended, among other things, to allow interior infill and boundary wells to be drilled and wellbore spacing units to be established. On August 8, 2011, Rule 318A was again amended, among other things, to address drilling of horizontal wells. The Application Lands are subject to Rule 318A for the Codell and Niobrara Formations.

Establishment of an approximate 320-acre drilling and spacing unit for the Application Lands, for production from the Codell-Niobrara Formation

6. Applicant herein seeks the establishment of an approximate 320-acre drilling and spacing unit for the Application Lands, and the authority to drill ten (10) horizontal wells within the proposed unit, for the production of oil, gas and associated hydrocarbons from the Codell-Niobrara Formation. The establishment of the drilling and spacing unit is not smaller than the area which can be efficiently and economically drained by the drilling of the requested horizontal wells to be drilled within said unit.

7. Applicant herein requests the treated intervals of any horizontal well permitted under this Application should be located not less than 460 feet from unit boundaries and not less than 150 feet from any other well producing or drilling from the Codell-Niobrara Formation, without exception being granted by the Director.

8. Further, Applicant herein requests any permitted wells drilled under this Application should be located on no more than two multi-well pads within the drilling and spacing unit from Rule 318A drilling windows, or on adjacent lands with surface owner consent, without exception being granted by the Director.

Pooling all interests in the 320-acre drilling and spacing unit to be established for the Application Lands, for development / operation of the Codell-Niobrara Formation

9. Acting pursuant to relevant provisions of §34-60-116(6) & (7), C.R.S., and Rule 530, Applicant seeks an order pooling all interests in the approximate 320-acre drilling and spacing unit to be

established for the Application Lands, for the development and operation of the Codell-Niobrara Formation. Further, Applicant seeks statutory cost recovery of costs and penalties associated with the drilling of any authorized Codell-Niobrara Formation well, where Rule 530 well proposal materials are provided at least 35 days prior to the Application being heard by the Commission.

Maintaining allocation of proceeds for existing wells within the proposed unit and producing from the Codell and/or Niobrara Formations

10. TOP Operating Inc. presently operates the Haley 2 well (API #05-123-31089), with bottomhole located in the SE¼ SW¼ of Section 20, Township 3 North, Range 68 West, 6th P.M., and may allocate production on a 320-acre basis under Order No. 407-66 (as amended by Order No. 232-23 and Rule 318A) by designating the S½ of said Section 20, for production from the Codell and Niobrara Formations.

11. TOP Operating Inc. presently operates the Haley 3 well (API #05-123-36940), with bottomhole located in the NW¼ SW¼ of Section 20, Township 3 North, Range 68 West, 6th P.M., and may allocate production on a 320-acre basis under Order No. 407-66 (as modified by Order No. 232-23 and Rule 318A) by designating the SW¼ of said Section 20, for production from the Codell and Niobrara Formations.

12. Applicant herein requests that existing vertical/directional wells within the unit should be excluded from the approximate 320-acre drilling and spacing unit proposed for the Application Lands, and that the allocation of proceeds from existing vertical/directional wells shall continue to pay on their current spacing.

* * *

13. The granting of this Application is in accord with the Oil and Gas Conservation Act found at §34-60-101, *et seq.*, C.R.S., and the COGCC rules.

14. Applicant requests that relief granted as result of this Application should be effective on oral order by the Commission, and Applicant hereby agrees to be bound by the oral order of the Commission.

15. That the names and addresses of interested parties (owners within the Application Lands for that portion of the Application requesting the establishment of a drilling and spacing unit, and those persons who own any interest in the mineral estate of the tracts to be pooled, except owners of overriding royalty interest for the pooling request) according to the information and belief of the Applicant are set forth in Exhibit B attached hereto. The Applicant shall submit a certificate of service for the Application within seven days as required by Rule 503.e.

WHEREFORE, Applicant respectfully requests this matter be set for hearing, notice be given as required by law, and that upon such hearing the Commission enter its order:

A. Establishing an approximate 320-acre drilling and spacing unit for the Application Lands, and authorizing the drilling of ten (10) horizontal wells within the proposed unit, for the production of oil, gas and associated hydrocarbons from the Codell-Niobrara Formation, with the treated intervals of any horizontal well permitted under this Application located not less than 460 feet from unit boundaries and not less than 150 feet from any other well producing or drilling from the Codell-Niobrara Formation, without exception being granted by the Director.

B. Pooling all interests in the approximate 320-acre drilling and spacing unit to be established for the Application Lands, for development and operation of the Codell-Niobrara Formation, with the pooling order effective as of the date of the Application.

C. Providing that the interests of any owners with whom the Applicant has been unable to secure a lease or other agreement to participate in the drilling of any authorized Codell-Niobrara Formation well within the 320-acre drilling and spacing unit to be established for the Application Lands are made subject to recovery of costs and penalties described by §34-60-116(7), C.R.S., where Rule 530 well proposal materials are provided at least 35 days prior to the Application being heard by the Commission.

D. Maintaining allocation of proceeds for any existing wells located within the proposed unit and producing from the Codell and/or Niobrara Formations and excluding those wells from the 0-acre drilling and spacing unit proposed for the Application Lands.

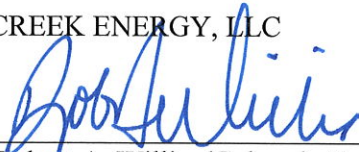
E. For such other findings and orders as the Commission may deem proper or advisable given the premises.

DATED this 21st day of October, 2015.

Respectfully submitted,

CUB CREEK ENERGY, LLC

By:


Robert A. Willis (Colorado Bar #26308)
Shanor & Collins LLC
600 Seventeenth Street, Suite 2800
Denver, CO 80202
(303) 995-5120

Applicant's Address:
200 Plaza Drive, Suite 100
Highlands Ranch, CO 80129

VERIFICATION

STATE OF COLORADO)
) ss.
CITY & COUNTY OF DOUGLAS)

Scott B. Baily, Vice President of Land for Cub Creek Energy, 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.

CUB CREEK ENERGY, LLC

Scott B. Baily

Scott B. Baily

Subscribed and sworn to before me this 21ST day of October, 2015, by Scott B. Baily, Vice President of Land for Cub Creek Energy, LLC.

Witness my hand and official seal.

My commission expires: October 26, 2016

[Signature]

Notary Public

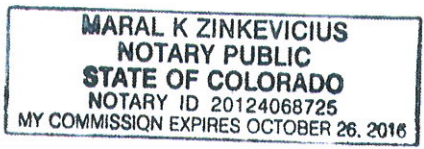


EXHIBIT B

INTERESTED PARTIES

The names and addresses of the interested parties (owners within the Application Lands for that portion of the Application requesting the establishment of a drilling and spacing unit, and those persons who own any interest in the mineral estate of the tracts to be pooled, except owners of overriding royalty interest for the pooling request) according to the information and belief of the Applicant are set forth in this Exhibit B.

Cub Creek Energy, LLC
Mr. Scott B. Baily
200 Plaza Drive, Suite 100
Highlands Ranch, CO 80129

Robert A. Willis
Shanor & Collins LLC
600 Seventeenth St., Suite 2800
Denver, CO 80202

Haley Land Company, LLC
14491 County Road 5
Longmont, CO 80504

Thomas Hill Puff
1320 Lake Street
Fort Worth, TX 76102

Susan L. Haley
14491 County Road 5
Longmont, CO 80504

JSW Energy, LLC
2406 Fossil Trace Dr.
Golden, CO 80401

William Hays and Sean McAtee, J/T
14153 County Road 5
Longmont, CO 80504

Heritage Resources, LLC
315 S. College, Suite 270
Lafayette, LA 70503

Lynn Hooven and Melinda Hooven
14153 County Road 5
Longmont, CO 80504

Sonic Minerals L.P.
P.O. Box 1240
Graham, TX 76450

Glen and Katheryn Williams Living Trust dated
January 29, 2007
1995 Hwy 66
Longmont, CO 80504

E G Energy, L.L.C
P.O. Box 6244
Leawood, KS 66206

Kenneth M. Wronald and Michael P. Hldt as J/T
14077 County Road 5
Longmont, CO 80504

Birmingham Corporation
1800 Canyon Park Circle, #201
Edmond, OK 73013

TOP Operating Company
3609 South Wadsworth Boulevard, Suite 340
Lakewood, CO 80235

G.E. Rogers, LLC
PO Box 2016
Graham, TX 76450

Murray J. Herring
3609 South Wadsworth Boulevard, Suite 340
Lakewood, CO 80235

RECCE Investments, LLC
1300 Fisher
Graham, TX 76450

Rodney K. Herring
5892 Asbury Pl,
Lakewood, CO 80227

Shoreline Energy Holdings, II, Inc.
ATTN: Jan Boydol, VP of Land
500, 500-4th Avenue S.W.
Calgary Albert T2P 1B8

EnCana Oil and Gas (USA) Inc.
370 17th Street, Suite 1700
Denver, CO 80202

Snyder Operating Partnership L.P.
2500 First Republic Bank Tower
Fort Worth, TX 76102

Devon Energy Production, Company, L.P.
20 North Broadway
Suite 1500
Oklahoma City, OK 73102-8202

Noble Energy, Inc.
1625 Broadway, Suite 2200
Denver, CO 80202

Extraction Oil & Gas, LLC
370 17th Street, Suite 5300
Denver, CO 80202

James M. Martin
943 T Avenue
Council Grove, KS 66846

Two Sisters, LLC
1712 Pioneer Ave, STE 470
Cheyenne, WY 82001

Madante Energy, LLC
P.O. Box 100728
Denver, CO 80250

Troy Swain
Weld County
Department of Planning Services
1555 North 17th Avenue
Greeley, CO 80631

Tom Puff, Inc.
1320 Lake Street
Fort Worth, TX 76102

T C Energy, LLC
P.O. Box 2016
Graham, TX 76450 (2015)

B.F. Albritton, LLC
P.O. Box 2016
Graham, TX 76450 (2015)

Creede Exploration, Inc.
2429 S Earl Rudder Freeway, #100
College Station, TX 77845

KLB Energy, LLC
917 Park St.
Graham, TX 76450

H.M. Betis, Inc.
P.O. Box 1240
Graham, TX 76450

Rio Brazos Mineral Company, LLC
P.O. Box 2017
Graham, TX 76450

Carried Gas Venture
c/o Robert heckendorf
P.O. Box 1855
Gypsum, CO 81637

Prime Meridian Oil & Gas, LLC
P.O. Box Box 101595
Denver, CO 80250

John Calvin
733 Chvez Road NW
Albuquerque, NM 87107

Dan Dean
Town of Mead
P.O. Box 626
Mead, CO 80542

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

Colorado Parks & Wildlife
6060 Broadway
Denver, CO 80216

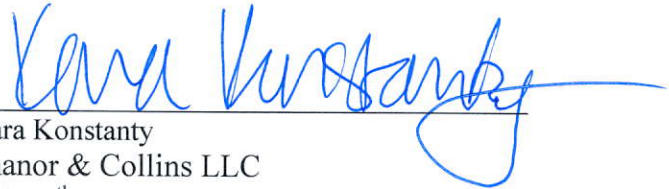
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INTERESTS WITHIN THE PROPOSED UNIT, FOR THE)
DEVELOPMENT AND OPERATION OF THE CODELL-)
NIOBRARA FORMATION, WATTENBERG FIELD, WELD)
COUNTY, COLORADO)

CERTIFICATE OF MAILING

I, Kara Konstanty, hereby certify that on or before the 23rd day of October, 2015, I caused a copy of the Application in the above referenced docket to be placed in the United States Mail, postage prepaid, addressed to the parties listed on Exhibit B of the Application.

DATED this 22nd day of October, 2015



Kara Konstanty
Shanor & Collins LLC
600 17th Street, Suite 2800
Denver, CO 80202

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

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NIOBRARA FORMATION, WATTENBERG FIELD, WELD)
COUNTY, COLORADO)

SUPPLEMENTAL CERTIFICATE OF MAILING

I, Kara Konstanty, hereby certify that on or before the 4th day of November, 2015, I caused a copy of the Application regarding the above referenced Docket Number to be placed in the United States Mail, postage prepaid, to the following alternate address for an interested party listed on the Application filed with the COGCC:

Devon Energy Production Company, L.P.
333 West Sheridan Avenue
Oklahoma City, OK 73102

DATED this 3rd day of November, 2015


Kara Konstanty
Shanor & Collins LLC
600 17th Street, Suite 2800
Denver, CO 80202