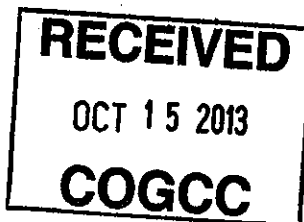




BEFORE THE OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF COLORADO



IN THE MATTER OF THE APPLICATION OF EE3)
LLC FOR AN ORDER TO ESTABLISH AN)
APPROXIMATE 640-ACRE DRILLING AND)
SPACING UNIT AND APPROVE ONE VERTICAL)
WELL AND UP TO THREE HORIZONTAL WELLS)
FOR SECTION 30, TOWNSHIP 7 NORTH,)
RANGE 80 WEST, 6TH P.M., FOR THE FRONTIER)
FORMATION, UNNAMED FIELD, JACKSON)
COUNTY, COLORADO)

CAUSE NO. 531

DOCKET NO. 1310-SP-1199

REQUEST FOR RECOMMENDATION OF
APPROVAL OF APPLICATION WITHOUT A HEARING

EE3 LLC ("Applicant"), by and through its undersigned attorneys, hereby requests pursuant to Rule 511.a. of the Rules and Regulations of the Colorado Oil and Gas Conservation Commission for the Director to recommend approval of its August 28, 2013 verified application ("Application") and the supporting exhibits without a hearing.

Applicant requests that the above-captioned matter be approved based upon: (i) the merits of the Application, and (ii) Applicant's sworn written testimony verifying sufficient facts along with exhibits that adequately support the relief requested in the Application. To Applicant's information and belief, no protests were timely filed in this matter.

WHEREFORE, Applicant requests that its request for a recommendation for approval of its Application without a hearing be granted.

DATED this 5th day of October, 2013.

Respectfully submitted,

EE3 LLC

By: 

Elizabeth Y. Gallaway
Gregory J. Nibert Jr.
Beatty & Wozniak, P.C.
Attorneys for Applicant
216 16th Street, Suite 1100
Denver, Colorado 80202
(303) 407-4499

EE3 LLC

Land Testimony - Douglas C. Sandridge

Cause 531; Docket No. 1310-SP-1199
Spacing Application - Frontier Formation
Unnamed Field
Jackson County, Colorado

October 2013 Colorado Oil and Gas Conservation Commission Hearing

My name is Douglas C. Sandridge. I am the Vice President of Land for EE3 LLC ("EE3" or "Applicant"). I have worked directly or in a supervisory role with the properties that are subject of this matter. A copy of my curriculum vitae is attached.

In support of EE3's Application, I am submitting the following exhibits. This testimony and exhibits attached to my sworn testimony and outline the parameters for the application filed in the above-referenced docket ("Application") to establish an approximate 640-acre drilling and spacing unit, comprised of the following lands (the "Application Lands"):

Township 7 North, Range 80 West, 6th P.M.
Section 30: All

EE3 anticipates and will attempt to utilize the existing well pads for the Judy 1-30 Well (NESE) and the Mutual 2-30H Well (SWSE) for surface locations of the proposed vertical and horizontal wells.

Exhibit No. L-1: Leasehold Interests.

Exhibit L-1: EE3 owns leasehold interest covering 80.92695% of the Application Lands which are shaded in yellow. All States Trucking Corporation owns 6.357683% of the Application Lands (SENW) which are shaded blue and NAPI (Colorado), LLC owns 12.715367% of the Application Lands (E2SW) which are shaded beige.

Exhibit No. L-2: Surface Ownership.

Exhibit L-2 shows the surface ownership of the Application Lands. 100% of the surface ownership of the Application Lands is owned in fee.

Exhibit No. L-3: Mineral Ownership.

Exhibit L-3 shows the mineral ownership of the Application Lands. 69.934516 % of the mineral ownership of the Application Lands is owned in fee and 30.065484% of the mineral ownership of the Application Lands is owned by the United States of America.


Exhibit L-4 shows the topography of the Application Lands. The contour interval for the Application Lands is 80' feet.

Based upon our examination of relevant documents, and under my direction and control, all of the interested parties included in Exhibit A attached to the Application received proper notice. As of the date of this testimony, EE3 has not received any protests or objections to the Applications.

I swear/affirm that the matters described herein were all conducted under my direction and control. To the best of my knowledge and belief, all of the matters set forth herein, my testimony and in the exhibits are true, correct and accurate.

Dated this 11th day of October, 2013.

Dated this 11th day of October, 2013.


Douglas C. Sandridge
EE3 LLC
Vice President, Land

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

The foregoing instrument was subscribed and sworn to before me this 11th day of October, 2013, by Douglas Sandridge, Vice President, Land, for EE3 LLC.

Witness my hand and official seal.

My commission expires: 03/11/2014

Ruth Harbman
Notary Public



DOUGLAS C. SANDRIDGE

6083 Rodgers Circle

Golden, Colorado 80403

303-279-3672 Home / 303-444-8881 Office

Email Address: dsandridge@ee3llc.com

EMPLOYER

EE3 LLC

4410 Arapahoe, Suite 100

Boulder, Colorado 80303

OCCUPATION

Petroleum Landman (31 years)

EDUCATION

University of Oklahoma

Bachelor of Business Administration (BBA)

Petroleum Land Management (PLM), May, 1982

University of Colorado Denver

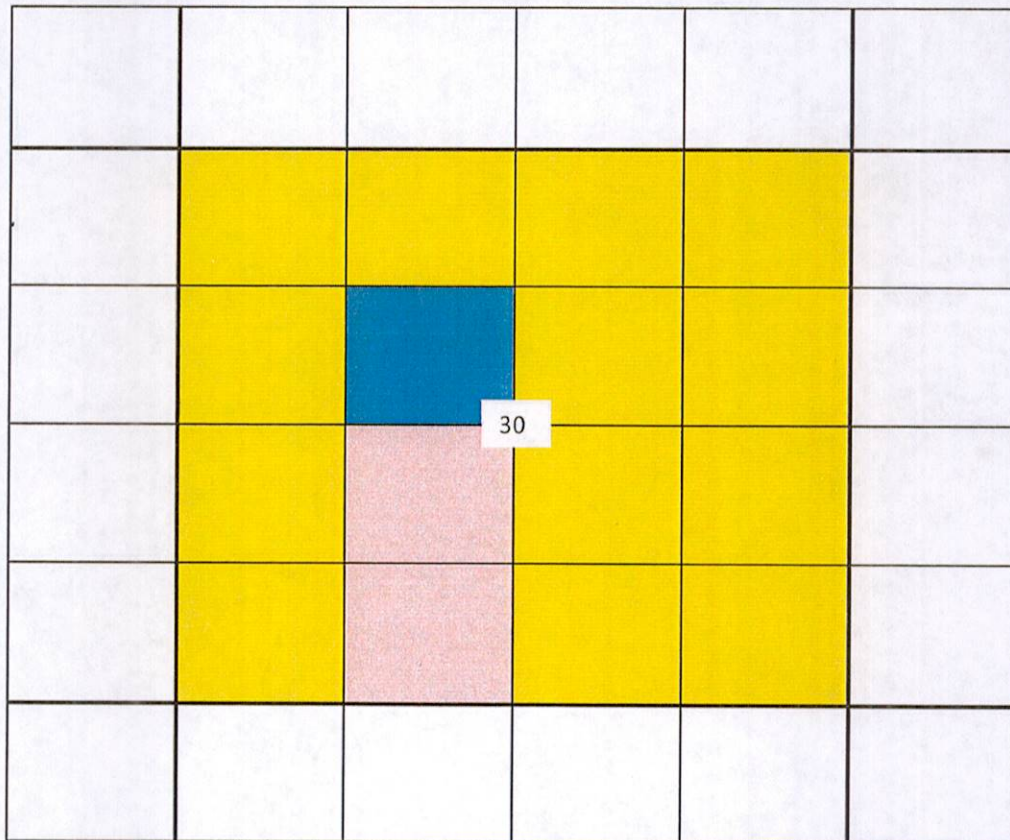
Master of Science

Global Energy Management, May 2011

Exhibit L-1

Leasehold Interests

Township 7 North, Range 80 West, 6th P.M.
Jackson County, CO



Leased by EE3 LLC



All States Trucking Corp.



NAPI (Colorado), LLC

Exhibit L-2

Surface Ownership

Township 7 North, Range 80 West, 6th P.M.
Jackson County, CO

	John C. & Hazel V. Brewer	Albert Greco	30 Evans Cattle Co., LLC		
	Adaptive Trucking Corp.	All States Trucking Corp.			
	NAPI (Colorado), LLC				

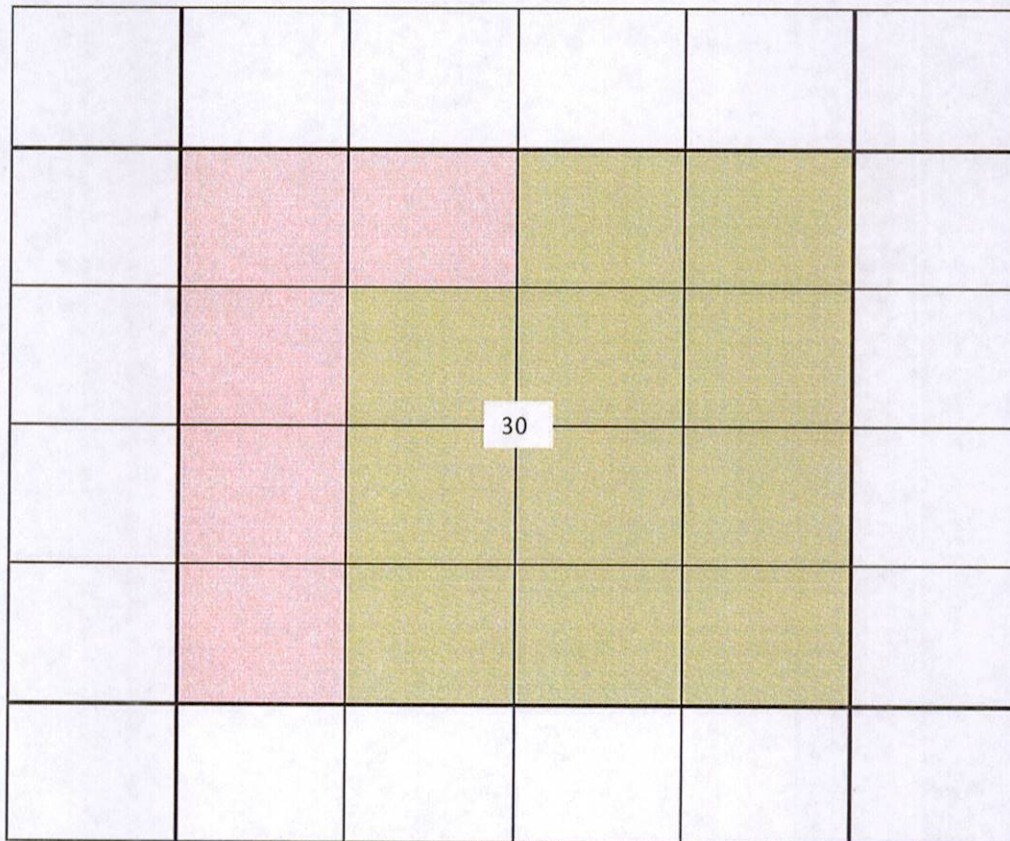


Fee Surface Ownership

Exhibit L-3

Mineral Ownership

Township 7 North, Range 80 West, 6th P.M.
Jackson County, CO



Fee Mineral Ownership



Federal Mineral Ownership

Topography

EE3 LLC

Jeffrey Dynda - Geology Testimony

Cause 531; Docket No. 1310-SP-1199
Spacing Application - Frontier Formation
Unnamed Field

Jackson County, Colorado

October 2013 Colorado Oil and Gas Conservation Commission Hearing

My name is Jeffrey Dynda, and I am currently the Geologist for EE3 LLC. I have a Bachelors of Science Degree in Geology from Indiana University of Pennsylvania. I have over 15 years' experience in Oil and Gas exploration and development in the Continental United States. I am familiar with the lands described, and the matters set forth in this application ("Application").

In support of EE3's Application, I am submitting the following exhibits. This testimony and exhibits attached to my sworn testimony and outline the parameters for the application filed in the above-referenced docket ("Application") to establish an approximate 640-acre drilling and spacing unit, comprised of the following lands (the "Application Lands"):

Township 7 North, Range 80 West, 6th P.M.
Section 30: All

Exhibit G-1 - Cross section location map

Exhibit G-1 is the location map for the cross section labeled with the three wells.

Exhibit G-2 - Cross section

Exhibit G-2 is the cross section displaying the near uniform thickness of the Frontier in vicinity of the proposed unit.

Exhibit G-3- Frontier Top Subsea Structure

Exhibit G-3 is the generalized structure map for the Frontier Top Subsea contoured in 250' increments.


Exhibit G-4- Optimum well direction

Exhibit G-4 displays our preferred well azimuth. This interpretation is based upon propriety micro-seismic and seismic data acquired by EOG and is intended to be perpendicular to fracture orientation.

All four exhibits are intended to illustrate that the Frontier is Uniform and contiguous throughout the area and that our intention with lateral azimuth is to maximize stimulation of the reservoir .

I swear/affirm that the matters described herein were all conducted under my direction and control. To the best of my knowledge and belief, all of the matters set forth herein, my testimony and in the exhibits are true, correct and accurate.

Dated this 11 day of October, 2013.


Jeffrey Dynda
Geologist
EE3 LLC

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

The foregoing instrument was subscribed and sworn to before me this 11th day of October, 2013, by Jeffrey Dynda, Geologist for EE3 LLC.

Witness my hand and official seal.

My commission expires: 03/11/2014

Ruth Harbman
Notary Public



Jeffery Dynda

4410 Arapahoe Avenue, Suite 100

Boulder, CO 80303

(303) 444-8881

Professional Employment

Over fifteen years of experience, including:

EE3 LLC

Boulder, Colorado

Geologist

RenWell Energy LLC,

Morrison, Colorado

Consulting Geologist

Ellora Energy, Inc.

Boulder, Colorado

Exploration Manager – TX/LA

MAK-J Energy

Denver, Colorado

Staff Geologist

EnCana Oil & Gas

Denver, Colorado

Geo-Science Analyst

Education

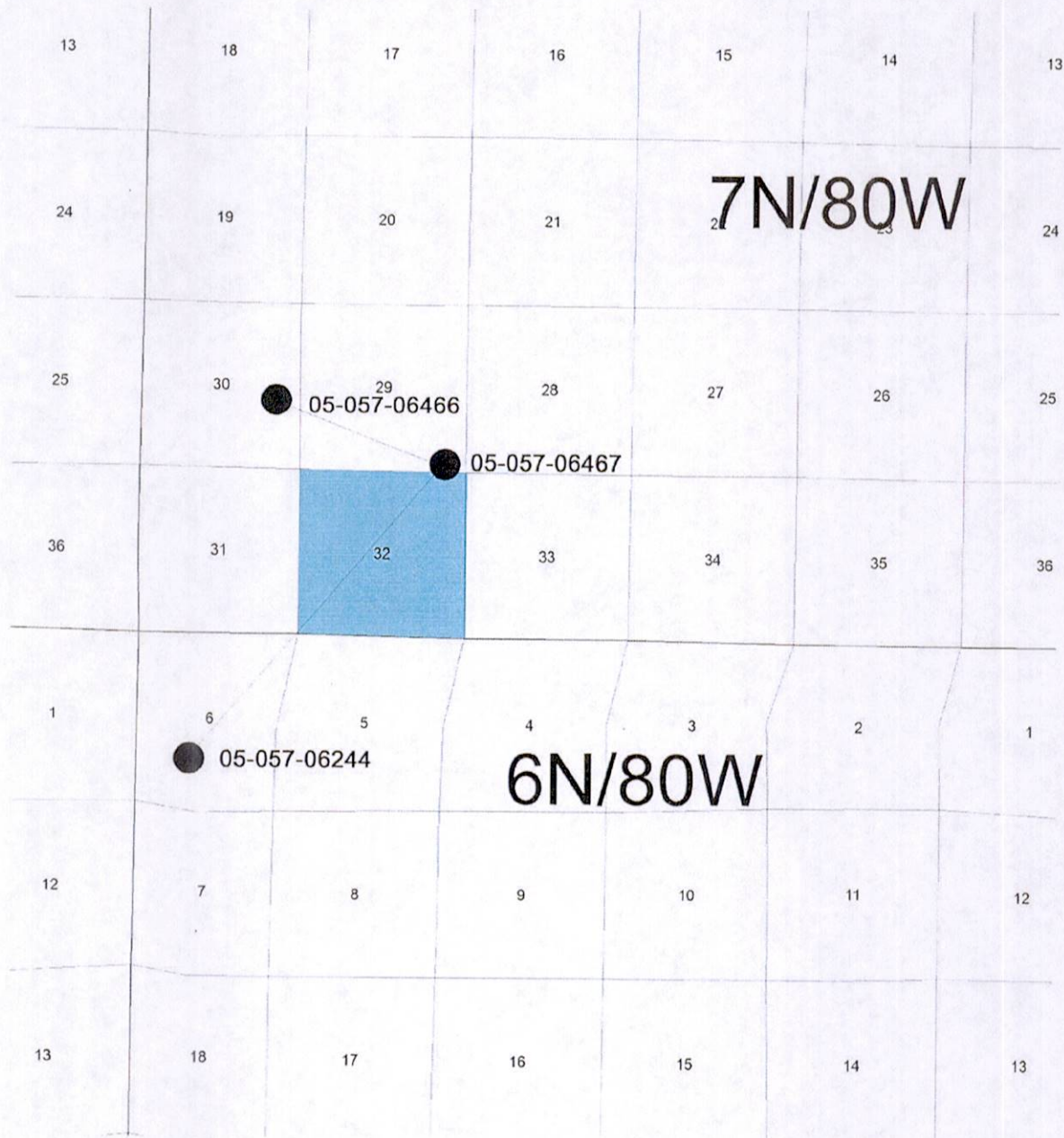
Bachelor of Science Degree, Indiana University of Pennsylvania

Major: Geology

Minor: Computer Science

Exhibit G-1

Cross Section Location Map



Cross Section

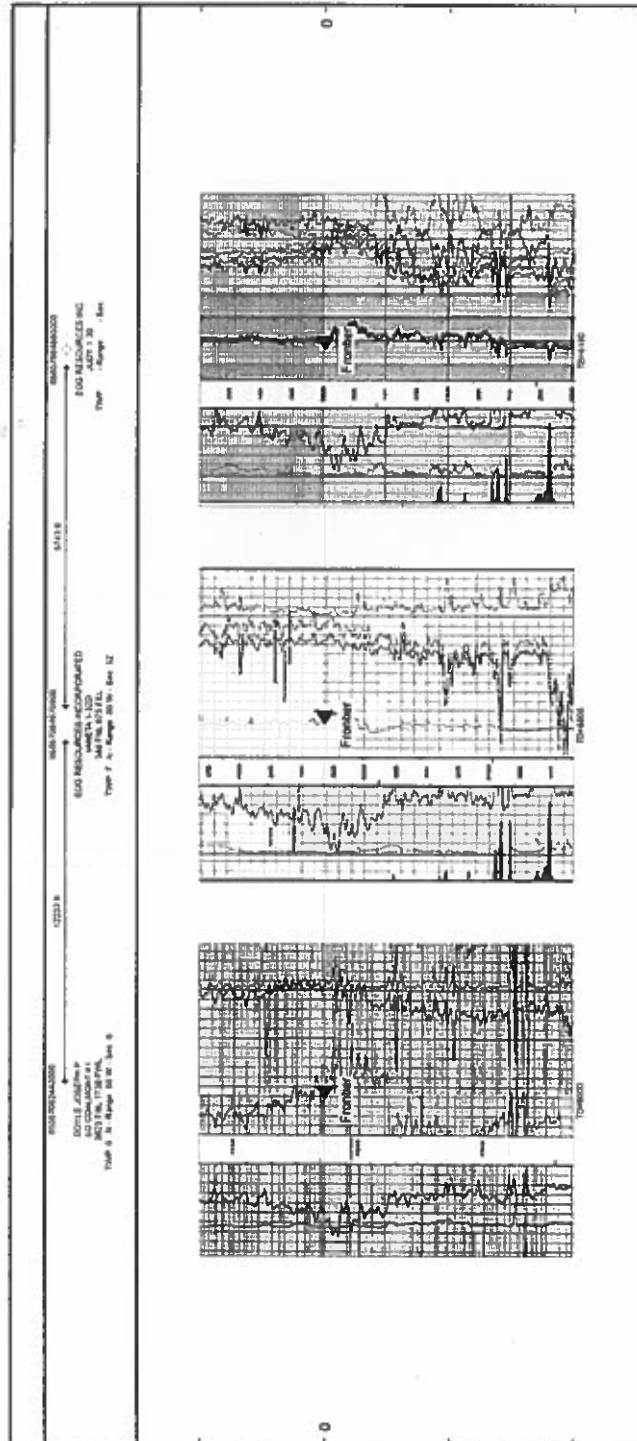


Exhibit G-3

Frontier Top Subsea Structure

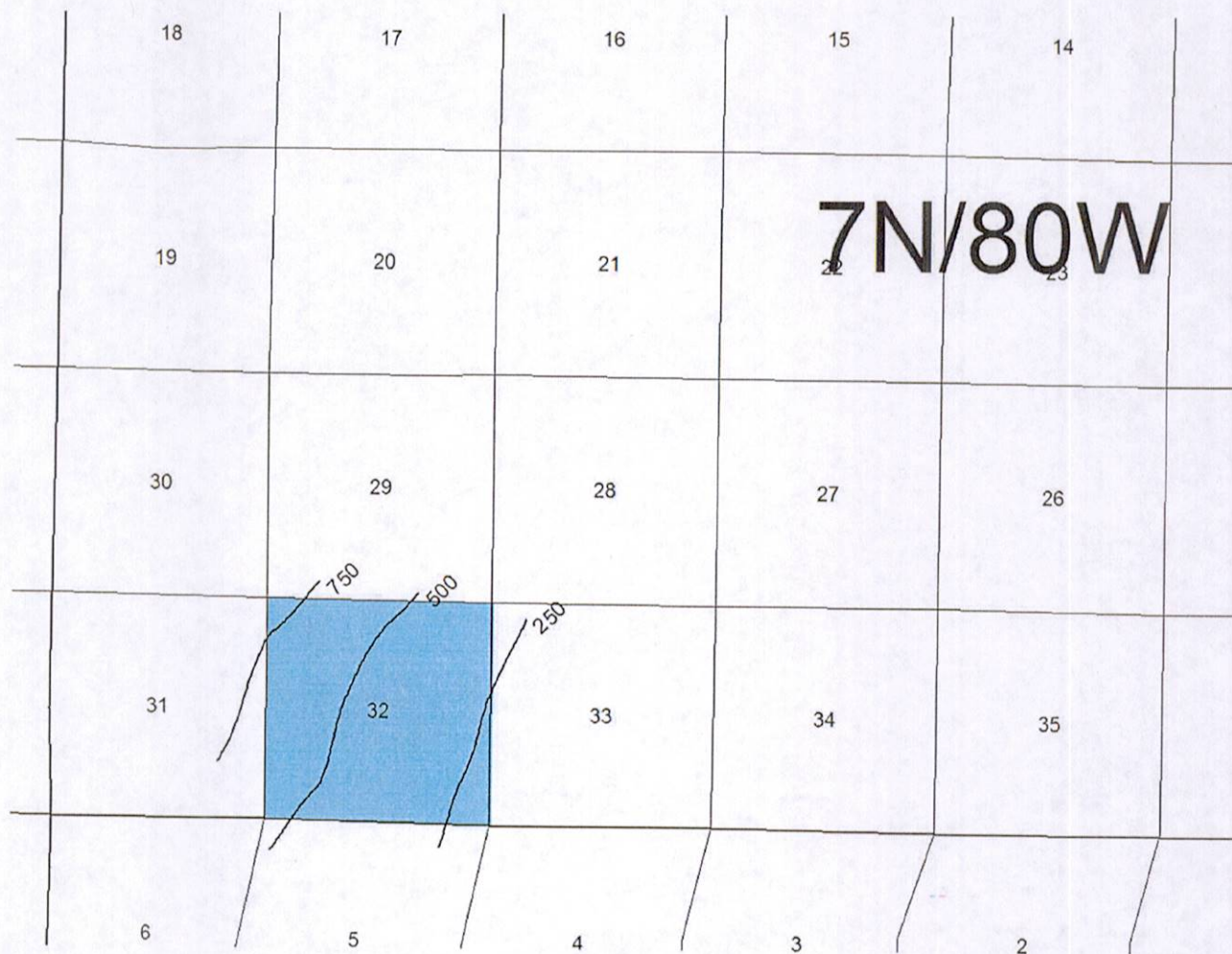
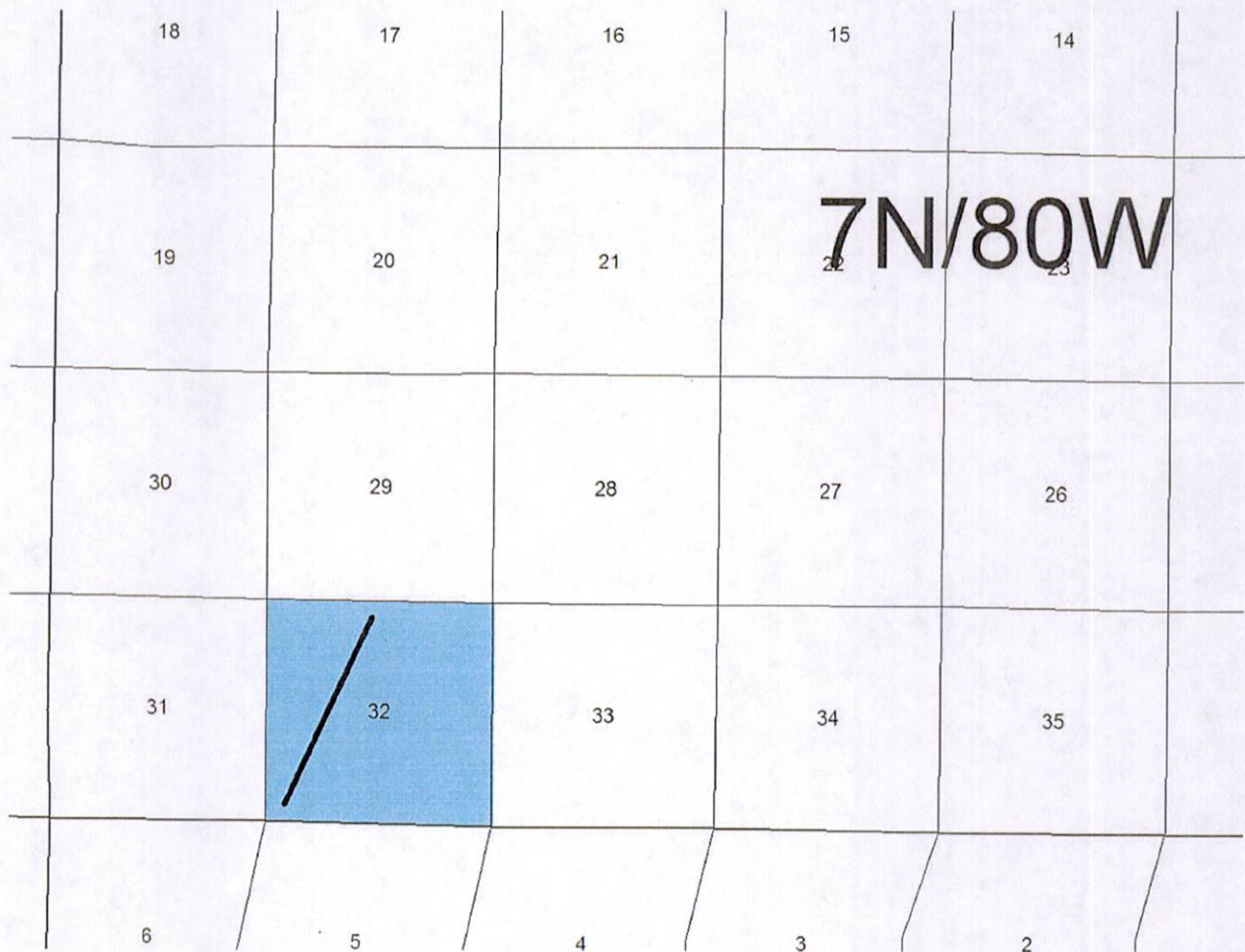


Exhibit G-4

Optimum Well Direction



EE3 LLC

Richard McClure- Engineering Testimony

Cause 531; Docket No. 1310-SP-1199
Spacing Application - Frontier Formation
Unnamed Field

Jackson County, Colorado

October 2013 Colorado Oil and Gas Conservation Commission Hearing

My name is Richard F. McClure, and I am currently President of EE3 LLC supervising development operations for the company's operations in Jackson County, Colorado. I received a Bachelor's of Science degree and a Master of Engineering degree in Petroleum Engineering from the Colorado School of Mines in Golden, Colorado. I have over 30 years of experience in oil and gas engineering. I am familiar with the lands described, and the matters set forth in the August 2013 verified application ("Application").

In support of EE3's Application, I am submitting the following exhibits. This testimony and exhibits attached to my sworn testimony and outline the parameters for the application filed in the above-referenced docket ("Application") to establish an approximate 640-acre drilling and spacing unit, comprised of the following lands (the "Application Lands"):

Township 7 North, Range 80 West, 6th P.M.
Section 30: All

Exhibit E-1- Calculation of OOIP and EUR's

The best vertical Frontier well in Jackson County has cumulative production of 32,569 barrels of oil and an estimated drainage area of approximately 27 acres. The estimated recovery from a horizontal well should approach 185,000 barrels with an estimated drainage area of 153 acres. At an azimuth of 20 Degrees East of North, this orientation and a 4,800' lateral allow for 3 wells per section

Based on the foregoing testimony and the attached exhibits, I conclude that the drilling, completion and production of a horizontal well in the Application Lands will capture reserves from the reservoir efficiently and thereby prevent waste. This drilling, completion and production will also protect correlative rights.

Dated this 11th day of October, 2013.

Richard F. McClure
President, EE3 LLC

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

Witness my hand and official seal.

Notary Public



Richard F. McClure, P.E.

4410 Arapahoe Avenue, Suite 100

Boulder, CO 80303

(303) 444-8881

Professional Employment

Over thirty one years of experience, including:

EE3 LLC

President

Boulder, Colorado

Ellora Energy, Inc.

Chief Operating Officer

Boulder, Colorado

Questa Engineering

Consulting Engineer

Golden, Colorado

ARCO

Drilling Engineer

Prudhoe Bay, Alaska

Education

Bachelor of Science Degree, Colorado School of Mines
Major: Petroleum Engineering

Master of Engineering in Petroleum Engineering, Colorado School of Mines

Registered engineer in Colorado and New Mexico

Exhibit E-1 - Calculation of OOIP and EUR's

Vertical Frontier Well, Jackson County, CO

Description of Parameter	Value
Depth (TVD below Ground Level)	8,050
Porosity	6.0%
Sw (Water Saturation-Percent of Pore Space)	50.0%
Height (Thickness) of Formation	125
Initial Reservoir Pressure (PSIA) [Estimated]	3,700
Initial Reservoir Temperature (degF)	200
Initial Gas-Oil Ratio (CuFt/Stock Tank Bbl) [Estimated]	1,400
Oil Gravity (deg API)	38
Sep Gas Gravity (air = 1.0)	0.85
Formation Volume Factor (Reservoir Bbls/Stock Tank Bbl)	1.2
Original Oil in Place (OOIP) Stock Tank Bbls per Acre assuming uniform Height	24,244
Recovery Efficiency-Percent of Original Oil in Place to be Produced [Estimated]	5.0%
Recoverable Oil (Bbls per acre Drained at Recovery Efficiency)	1,212
Analog Frontier well is anticipated to have an ultimate recovery potential of	32,569

Drainage area (acres) per vertical well	27
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Horizontal Frontier Well, Jackson County, CO

Description of Parameter	Value
Depth (TVD below Ground Level)	8,050
Porosity	6.0%
Sw (Water Saturation-Percent of Pore Space)	50.0%
Height (Thickness) of Formation	125
Initial Reservoir Pressure (PSIA) [Estimated]	3,700
Initial Reservoir Temperature (degF)	200
Initial Gas-Oil Ratio (CuFt/Stock Tank Bbl) [Estimated]	1,400
Oil Gravity (deg API)	38
Sep Gas Gravity (air = 1.0)	0.85
Formation Volume Factor (Reservoir Bbls/Stock Tank Bbl)	1.2
Original Oil in Place (OOIP) Stock Tank Bbls per Acre assuming uniform Height	24,244
Recovery Efficiency-Percent of Original Oil in Place to be Produced [Estimated]	5.0%
Recoverable Oil (Bbls per acre Drained at Recovery Efficiency)	1,212
Analog Frontier well is anticipated to have an ultimate recovery potential of	185,000

Drainage area (acres) per horizontal well	153
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