

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

IN THE MATTER OF THE APPLICATION)
OF NOBLE ENERGY INC. FOR AN)
ORDER ESTABLISHING SPACING)
RULES APPLICABLE TO THE DRILLING)
AND PRODUCING OF WELLS FROM THE)
ILES AND WILLIAMS FORK)
FORMATIONS OF THE MESAVERDE)
GROUP COVERING CERTAIN LANDS)
LOCATED IN GARFIELD COUNTY,)
COLORADO)

CAUSE NO. _____
ORDER NO. _____ -

VERIFIED APPLICATION

COMES NOW the Applicant, Noble Energy Inc. (“Applicant”), by and through its attorneys, Davis Graham & Stubbs LLP, and makes application to the Oil and Gas Conservation Commission (“Commission”) of the State of Colorado for (1) an order establishing spacing rules applicable to the drilling and producing of wells from the Williams Fork and Iles formations of the Mesaverde group covering certain lands located in Garfield County, Colorado. In support of its application, Noble states and alleges as follows:

1. The Applicant is a corporation duly authorized to conduct business in the State of Colorado.

APPLICATION LANDS

2. Applicant owns legal and equitable interests in oil and gas leases covering the following described lands located in Garfield County, Colorado, hereafter referred to as “Application Lands”:

Township 8 South, Range 95 West, 6th P.M.
Section 8: W/2NESE

3. The Application Lands have never been subject to a spacing order and are subject to the Commission’s Rule 318(a). These lands are described as:

Township 8 South, Range 95 West, 6th P.M.
Section 8: W/2NESE

4. Certain lands adjacent to the Application Lands, specifically Township 8 South, Range 95 West, 6th P.M., Section 8: W/2E/2NE/4, W/2NE/4, W/2, NW/4SE/4, W/2SW/4SE/4, NE/4SW/4SE/4, NW/4SE/4SE/4, were previously spaced by the Commission in Order Nos. 139-59 and 510-19. Order Nos. 139-59 and 510-19 establishing the drilling and spacing rules identical to those requested in Paragraphs 5-7 of this Verified Application. The Application Lands were excluded from Applicant's March 6, 2006 Verified Application that initially requested the drilling and spacing rules established in Order Nos. 139-59 and 510-19.

5. In order to establish drilling and spacing rules on the Application Lands consistent with those established in Order Nos. 139-59 and 510-19 and to promote the efficient drainage of the Williams Fork and Iles formations of the Mesaverde group as to the Application Lands, Applicant requests that the Commission establish forty (40) acre drilling and spacing units for the Williams Fork and Iles formations. Applicant further requests that as to each such drilling and spacing unit, the Commission allow up to one (1) Williams Fork or Iles well per ten (10) acres which can be optionally drilled into and produced from the Williams Fork and Iles formations of the Mesaverde group.

6. As to all future Williams Fork and Iles wells to be drilled on the Application Lands, Applicant requests that the Commission permit the wells to be located downhole anywhere in the drilling and spacing unit but no closer than one hundred (100) feet from the boundaries of the unit, without exception being granted by the Director of the Commission. If there are cases where the Application Lands abut or corner lands that the Commission has not at the time of drilling permit application granted the right to drill ten (10) acre density Williams Fork and Iles wells, the Applicant requests that the wells be located downhole no closer than

two hundred (200) feet from the boundaries of the drilling unit so abutting or cornering such lands, without exception being granted by the Director of the Commission. Applicant does not intend by this Application to drill more than four (4) Williams Fork and Iles wells downhole per government quarter quarter section.

7. Applicant commits that the Williams Fork and Iles wells to be drilled on the Application Lands will on average, if topographically feasible throughout the Application Lands, be drilled from the surface either vertically or directionally from the same pad and no more than one (1) pad located on a given spacing unit, unless exception is granted by the Commission.

8. The proposed spacing and well location rules for the Application Lands will allow more efficient drainage of the Williams Fork and Iles formations of the Mesaverde group, will prevent waste, will not adversely affect correlative rights, and will assure the greatest ultimate recovery of gas and associated hydrocarbon substances from the reservoirs.

9. The names and address of the interested parties as to each Tract of the Application Lands according to the information and belief of the Applicant are also set forth in Exhibit A attached hereto and made a part hereof.

WHEREFORE, Applicant respectfully requests that this matter be set for hearing by the Commission; that notice be given as required by law; and that upon such hearing the Commission enter its Order consistent with the Applicant's proposals as set forth above.

Dated this ____ day of May, 2006.

Respectfully submitted,

NOBLE ENERGY INC.

By: _____

Gregory R. Danielson

Jamie L. Jost

Davis Graham & Stubbs LLP

Attorneys for Applicant

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Applicant's Address:

Noble Energy Inc.

1625 Broadway, Suite 2000

Denver, Colorado 80202

STATE OF COLORADO)
) ss.
COUNTY OF DENVER)

VERIFICATION

The undersigned, N. Arthur Bollen, being first duly sworn upon oath, states:

1. I am the Senior Landman for Noble Energy Inc. and am personally familiar with the matters set forth in the foregoing Verified Application.
2. I have read the Verified Application and the facts contained therein are true and correct to the best of my knowledge, information and belief.

N. Arthur Bollen, Senior Landman
Noble Energy, Inc.

Subscribed and sworn to before me this _____ day of May, 2006, by _____.

Witness my hand and official seal.

My commission expires: _____

Notary Public

EXHIBIT A

To Verified Application of Noble Energy Inc.

Jess Smith
Garfield County
144 East 3rd
Rifle, CO 81650

Doug Riley
Mesa County Planning
750 Main Street
P.O. Box 20000-5004
Grand Junction, CO 81502

United States
Department of the Interior
Bureau of Land Management
2850 Youngfield Street
Lakewood, CO 80215

Williams Production RMT Company
1515 Arapahoe Street
Suite 1000, Tower 3
Denver, CO 80202

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

Presco, Inc.
Suite 520
10200 Grogans Mill Road
The Woodlands, TX 77380

Yates Drilling Company
105 South 4th Street
Artesia, NM 88210

ABO Petroleum Corporation
105 South 4th Street
Artesia, NM 88210

Yates Petroleum Corporation
105 South 4th Street
Artesia, NM 88210

MYCO Industries, Inc.
105 South 4th Street
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