

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

IN THE MATTER OF THE APPLICATION OF
WILLIAMS PRODUCTION RMT COMPANY FOR
AN ORDER VACATING CERTAIN DESCRIBED
LANDS FROM A 320 ACRE DRILLING AND
SPACING UNIT PREVIOUSLY ESTABLISHED
FOR THE MESAVERDE GROUP IN THE
PARACHUTE FIELD AREA, GARFIELD COUNTY,
COLORADO

CAUSE NO.

ORDER NO.

DOCKET NO.

APPLICATION

COMES NOW Williams Production RMT Company ("Applicant"), a Delaware corporation, by its attorneys, Poulson, Odell & Peterson, LLC, and makes application to the Oil and Gas Conservation Commission of the State of Colorado for an order vacating certain described lands from that certain 320 acre drilling and spacing unit previously ordered by the Commission applicable to the Mesaverde Group covering S/2 of Section 25 in Township 6 South, Range 95 West and in support of its application states and alleges as follows:

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

2. That Applicant owns a leasehold interest (or has a right to acquire same) in a substantial portion of the following described lands:

Township 6 South, Range 95 West, 6th P. M.
Section 25: S/2

3. That pursuant to the Commission's Order No. 440-12, 320 acre drilling and spacing units were established for the production of gas and associated hydrocarbons from the Mesaverde Formation for certain described lands including Section 25 of T6S, R95W for the Mesaverde formation. Such 320 acre drilling and spacing units were to consist of the E/2 and W/2 or the N/2 and S/2 of a section with the operator of the first well permitted in a section to designate the drilling unit. Under the Commission's Order No. 440-16, eight (8) Williams Fork wells were allowed to be optionally drilled into and produced within the designated 320 acre drilling and spacing units (including the Application Lands), with the permitted well to be located no closer than 400 feet from the boundaries of the unit and no closer than 800 feet from any existing Williams Fork well.

4. That no Mesaverde wells have been drilled on Section 25 of T6S, R 95W. Two Wasatch wells previously located on said Section 25 have been plugged and abandoned.

5. That Applicant desires that laydown 320 acre drilling and spacing units be established for Section 25, T6S, R95W. This would result in the Application Lands being a laydown 320 acre drilling for the Mesaverde Formation.

6. That as to the 320 acre laydown drilling and spacing unit constituting the Application Lands, Applicant desires that the NW/4SW/4 be vacated as being part of this drilling and spacing unit for the reason that the mineral estate underlying such lands is owned by the United States of America and it is not expected that such lands will be leased in the near future, if ever.

7. That the above-proposed vacation of the NW/4SW/4 from the described laydown drilling and spacing unit will allow development of the Mesaverde Group to occur; will not promote waste; will not violate correlative rights and will assure the greatest ultimate recovery of gas and associated hydrocarbon substances from the reservoir.

8. That the setback requirements as set forth in paragraph 3 above will continue to apply except that for purposes of 400 feet setback requirement applicable to the boundary of the unit, that boundary line will now be the reconfigured drilling and spacing unit after vacating NW/4SW/4 from the drilling unit.

9. That the names and addresses of the interested parties according to the information and belief of the Applicant are set forth in Exhibit A attached hereto and made a part hereof.

WHEREFORE, Applicant respectfully requests that this matter be set for hearing in July, 2006, that notice be given as required by law and that upon such hearing this Commission enter its order consistent with Applicant's proposals as set forth above.

Dated this _____ day of May, 2006.

By: _____
William A. Keefe
POULSON, ODELL & PETERSON, LLC
1775 Sherman Street, Suite 1400
Denver, Colorado 80203
(303) 8610-4400

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

Christopher M. Walsh, of lawful age, being first duly sworn upon oath, deposes and says that he is Senior Landman for Williams Production RMT Company and that he has read the foregoing Application and that the matters therein contained are true to the best of his knowledge, information and belief.

Christopher M. Walsh

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

Witness my hand and official seal.

My commission expires: _____

Notary Public

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AFFIDAVIT OF MAILING

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

William A. Keefe of lawful age, and being first duly sworn upon his oath, states and declares:

That he is the attorney for Williams Production RMT Company, that on May____, 2006 he caused a copy of the attached Application in the subject docket to be deposited in the United States Mail, postage prepaid, addressed to the parties listed on Exhibit A to the Application.

William A. Keefe

Subscribed and sworn to before me May____, 2005

Witness my hand and official seal.

My commission expires: July 22, 2007.

Notary Public