

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 640 ACRE DRILLING AND  
SPACING UNIT PREVIOUSLY ESTABLISHED  
FOR THE MESAVERDE GROUP IN THE RULISON  
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 640 acre drilling and spacing unit previously ordered by the Commission applicable to the Mesaverde Group covering Section 5 in Township 7 South, Range 94 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 7 South, Range 94 West, 6th P. M.**

Section 5: All

3. That said Section 5, under the Commission's Order 139-1, was established by the Commission as a 640-acre drilling and spacing units for the Mesaverde formation.

4. That the Application Lands were approved for two (2) wells to be optionally drilled into and produced from the Williams Fork Formation within such 640-acre drilling and spacing unit under the Commission's Order 139-11.

5. That the Application Lands were approved for eight (8) wells to be optionally drilled into and produced from the Williams Fork Formation with such 640-acre drilling and spacing unit under the Commission's Order 139-26.

6. That the Application Lands were approved for sixteen (16) wells to be optionally drilled into and produced from the Williams Fork Formation within such 640-acre drilling and spacing unit under the Commission's Order 139-28.

7. That due to recent changes in the leasehold ownership of lands within said Section 5, the SW/4 and S/2SE/4 of said Section 5 are now unleased with the result that the parties owning the mineral estate of such lands do not wish these lands to continue to be included in the subject 640 acre drilling and spacing unit.

8. That Williams is amenable to excluding such lands from the 640 acre drilling unit with the result that the spacing unit would be reduced in size to cover only the N/2 and N/2SE/4 of Section 5.

9. That the above-proposed vacation of the SW/4 and S/2SE/4 from the 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.

10. That new setback requirements should be established within said Section 5 for the Williams Fork Formation such that no well will have a bottomhole location within the Williams Fork Formation any closer than 100 feet from the boundary line separating the SW/4 and S/2SE/4 from the remainder of Section 5. Such setback requirements shall apply to wells drilled within the drilling and spacing unit and also to wells drilled within the lands vacated from the drilling and spacing unit.

11. 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 June, 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 March, 2006.

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

Joe P. Barrett, of lawful age, being first duly sworn upon oath, deposes and says that he is the Director of Land 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.

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Joe P. Barrett

Subscribed and sworn to before me this \_\_\_\_ day of March, 2006.

Witness my hand and official seal.

My commission expires: \_\_\_\_\_

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## Notary Public

**EXHIBIT A**  
**INTERESTED PARTIES**

Garfield County  
ATTN: Mark Bean  
144 East 3<sup>rd</sup> Street  
Rifle, CO 81650

Savage Resources, LLC  
c/o Daniel Savage  
4610 West Cornell Place  
Lakewood, CO 80228

Apollo Energy, LLC  
1557 Ogden Street, Suite 300  
Denver, CO 80218-1405

Diana L. & Jonathan H. Wellendorf  
8624 County Road 301  
Parachute, CO 81635

William A. Keefe  
POULSON, ODELL & PETERSON, LLC  
1775 Sherman Street, Suite 1400  
Denver, CO 80203

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

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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 March \_\_\_, 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.

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William A. Keefe

Subscribed and sworn to before me March , 2005

Witness my hand and official seal.

My commission expires: July 22, 2007.

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## Notary Public