

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

IN THE MATTER OF THE PROMULGATION AND
ESTABLISHMENT OF FIELD RULES TO
GOVERN OPERATIONS IN THE RULISON
FIELD AREA, GARFIELD COUNTY, COLORADO

CAUSE NO. 139

DOCKET NO.

APPLICATION

COMES NOW Petrogulf Corporation, a Colorado corporation authorized to do business in the State of Colorado ("Applicant"), 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 pooling all non-consenting interests for the drilling and completion of the Jonsson #19-14, Jonsson #19-10, Jonsson #19-2, Jonsson #19-12, Jonsson #19-22, Jonsson #19-24 and Jonsson #19-26 wells located in the E/2 of Section 19, Township 6 South, Range 93 West, 6th P.M. in Garfield County, Colorado (said described lands hereinafter referred to as "Application Lands"). In support of its application, Applicant states and alleges as follows:

1. The Application Lands constitute an approximate 320-acre drilling and spacing unit for the Williams Fork Formation of the Mesa Verde Group pursuant to the Commission's Order No. 139-8. The drilling and production of Williams Fork wells was authorized under the Commission's Order 139-47. Applicant owns oil and gas leasehold interests within the drilling and spacing unit.

2. That the Jonsson #19-14, Jonsson #19-10, Jonsson #19-2, Jonsson #19-12, Jonsson #19-22, Jonsson #19-24 and Jonsson #19-26 wells are planned to be drilled by Applicant in March of 2006 as potential producers of gas from the Williams Fork Formation of the Mesa Verde Group.

3. That it is not clear at this time whether certain other leasehold owners and/or unleased mineral owners within the drilling and spacing unit will participate in the drilling of these wells, or any of them, although these owners (who are more specifically identified on Exhibit "A" attached hereto) have been sent (or will have been sent) timely written offers allowing them to participate in the drilling and completion of the Jonsson #19-14, Jonsson #19-10, Jonsson #19-2, Jonsson #19-12, Jonsson #19-22, Jonsson #19-24 and Jonsson #19-26 wells (or to lease their interests in the case of unleased mineral owners). As of the date hereof, these owners either have elected not to participate in such drilling and completion in these wells (or to lease their interests in the case of unleased mineral owners) or have not responded to the correspondence from Applicant making such offers.

4. That Applicant desires to force pool the interests of these leasehold owners or unleased mineral owners in the stated wells pursuant to the provisions of Colo. Rev. Stat. ¶ 34-60-116.

5. That in order to prevent waste, protect correlative rights, and in the best interest of conservation, the leasehold owners and/or unleased mineral owners listed in Exhibit "A" should be pooled in the Williams Fork Formation in accordance with Colo. Rev. Stat. §34-60-116 [including subsections (7)(b)(i) and (ii)].

6. That the names and addresses of the lease owners and/or unleased mineral owners whose interests are to be pooled under this Application are set forth on Exhibit "A," attached hereto and made a part hereof.

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

Dated this 30th day of January, 2006.

POULSON, ODELL & PETERSON, LLC

By: _____
William A. Keefe
1775 Sherman Street, Suite 1400
Denver, Colorado 80203
Telephone: 303-861-4400
Facsimile: 303-861-1225

VERIFICATION

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

Charles W. Goodin, of lawful age, being first duly sworn upon oath, deposes and says that he is the Manager of Land & Legal of Petrogulf Corporation, 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.

Charles W. Goodin

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

Witness my hand and official seal.

My commission expires: _____

Notary Public

EXHIBIT A

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AFFIDAVIT OF MAILING

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

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

That he is the attorney for Petrogulf Corporation, that on January 30, 2006, he caused a copy of the attached Application to be deposited in the United States Mail, postage prepaid, addressed to the parties listed in Exhibit "A" to the Application.

William A. Keefe

Subscribed and sworn to before me January 30th, 2006.

Witness my hand and official seal.

My commission expires: _____.

Notary Public

EXHIBIT A

Mark Bean
Garfield County 144 E. 3rd
Rifle, Colorado 81650

City of Rifle
P.O. Box 1908
Rifle, CO 81650-1908
ATTN: John Hier, City Manager

Williams Production RMT Company
1515 Arapahoe Street
Tower 3, Suite 1000
Denver, CO 80202
ATTN: Chris Walsh

EnCana Oil & Gas, Inc.
370 17th Street
Denver, CO 80202-1370
ATTN: Francois Goyer

Charles W. Goodin
Manager of Land & Legal
Petrogulf Corporation
518 17th Street, Suite 1455
Denver, CO 80202