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

IN THE MATTER OF THE APPLICATION OF WHITING OIL AND GAS CORPORATION FOR AN ORDER ESTABLISHING WELL LOCATION AND SETBACK RULES FOR THE DRILLING OF ILES AND SEGO FORMATION WELLS ON CERTAIN DESCRIBED LANDS IN RIO BLANCO COUNTY, COLORADO

CAUSE NO. 527

DOCKET NO.

APPLICATION

COMES NOW Whiting Oil and Gas Corporation ("Applicant"), a Delaware corporation, by its attorneys, Poulson, Odell and Peterson, LLC, and makes application to the Oil and Gas Conservation Commission of the State of Colorado for an order establishing well location and setback rules applicable to the drilling and producing of wells from the Iles and Sego Formations of the Mesaverde Group underlying certain described lands in Rio Blanco County, Colorado 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 an affiliated company of Applicant owns oil and gas leasehold interests covering all or a portion of the following described lands (hereinafter "Application Lands"):

Township 2 South, Range 97 West

Section 19: SE1/4SW1/4, S1/2SE1/4

Section 20: SW1/4SW1/4 Section 29: NW1/4NW1/4

Section 30: E1/2NE1/4, NE1/4SE1/4

Township 2 South, Range 97West

Section 19: Lot 4

Township 2 South, Range 98 West

Section 23: S1/2S1/2

Section 24: S1/2S1/2

Section 26: NW1/4NW1/4

Section 27: NE1/4SW1/4, NW/14SE1/4, S1/2NE1/4

Section 28: SE1/4SE1/4

Section 32: S1/2SE1/4, NE1/4SE1/4

Section 33: S1/2NW1/4, NE1/4NW1/4, N1/2NE1/4

Township 3 South, Range 98 West

Section 5: S1/2NW1/4, NW1/4NE1/4, NW1/4SW1/4

Section 6: E1/2SE1/4 Section 7: NE1/4NE1/4

- 3. That the Application Lands as to the Iles and Sego Formations are unspaced and subject to the Commission's Rule 318 (formerly Rule 316). Further, the Application Lands as to the Williams Fork Formation have been approved for the drilling of ten (10) acre density wells pursuant to the Commission's Order 527-1.
- 4. That, pursuant to the Commission's Order 572-2 dated August 16, 2006, optional ten acre density was granted for the drilling of Iles and Sego Formations Wells on the Application Lands with each such well to be located downhole anywhere upon such lands provided no such well shall be located any closer than 400 feet from the outside boundary of the Application Lands.
- 5. That various wells have been drilled, tested and completed in both the Iles and Sego Formations of the Mesaverde Group upon lands in the same general area as the Application Lands.
- 6. That as to the Application Lands, the Commission should continue to allow Iles and Sego Formation wells to be optionally drilled upon a ten (10) acre density basis but amend the setback rules as set forth in Order 572-2 such that the permitted well may be located downhole anywhere upon the Application Lands but no closer than 100 feet from the outside boundary of the Application Lands unless such boundary abuts or corners lands in respect of which the Commission has not at the time of the drilling permit application granted the right to drill 10-acre density wells for the Iles and Sego Formations, in which event the Iles and Sego Formation wells to be drilled upon the Application Lands should be drilled downhole no closer than 200 feet from that portion of the boundary which so abuts or corners the lands in respect of which 10-acre density downhole drilling for Iles and Sego Formation wells has not been ordered by the Commission. It is understood that Iles and Sego Formation wells may be drilled and completed only within wellbores drilled to the Williams Fork Formation and may not be drilled as separate wells.
- 7. That, except as previously authorized by order of the Commission, wells to be drilled under this Application will be drilled from the surface either vertically or directionally from the equivalent of no more than one pad located on a given quarter quarter section unless exception is granted by the by the Director of the Colorado Oil and Gas Conservation Commission pursuant to application made for such exception.
- 8. The granting of this application 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.
- 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 August, 2007, 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: June ____, 2007

POULSON, ODELL AND PETERSON, LLC

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

Phone: 303-861-4400

VERIFICATION

STATE OF COLORADO)
) ss. CITY AND COUNTY OF DENVER)
Bill R. Moomey of lawful age, and being first duly sworn upon his oath, states and declares:
That he is the Regional Landman for Whiting Petroleum Corporation, parent company of Applicant, herein; that he has read the above and foregoing Application by him subscribed, knows the contents thereof, and that the allegations and matters therein stated are true and correct as he verily believes.
Bill R. Moomey
Subscribed and sworn to before me June, 2007. Witness my hand and official seal. My commission expires:
Notary Public

EXHIBIT A

Mike Neumann Rio Blanco County Post Office Box 599 Meeker, CO 81641

Exxon Mobil Corporation P.O. Box 4358 Houston, TX 77210-4358

Ceres Resource Partners, L.P. 3838 Oak Lawn Ave. Dallas, TX 75219-4541

Rita Energy, Inc. P.O. Box 10209 Amarillo, TX 79116-0209

E. Roosevelt Limited Partnership 2626 Cole Ave., Suite 600 Dallas, TX 75204

Industrial Gas Services, Inc. 4501 Wadsworth Blvd. Wheatridge, CO 80033

OXY USA WTP LP 6 Desta Drive, Suite 6000 Midland, TX 79705-5505

Symbol Energy Inc. 10118 Memorial Drive Houston, TX 77024

Hanover Energy Corporation 40 East South Temple, Suite 300 Salt Lake City, UT 84111

Palo Production Corp. 621 – 17th Street, Suite 1640 Denver, CO 80293

ER Family Limited Partnership 5956 Sherry Lane, Suite 1225 Dallas, TX 75225 Molehil; Enterprises Ltd., LLC 2070 ¾ Road Grand Junction, CO 81503

William H. Spires, Inc. 2195 North State Hwy, Suite 1 Franktown, CO 80116

Timberline Energy, Inc. 2195 North State Hwy, Suite 1 Franktown, CO 80116

John O. Whitney 2300 Riverside Drive, Apt. 15F Tulsa, OK 74114

Richard L. Harris 2805 E. Skelly Drive, Suite 806 Tulsa, OK 74105

Wayne Johnson P.O. Box 8037 Colorado Springs, CO 80933

C.S. Trosper P.O. Box 1238 Colorado Springs, CO 80901

C.E. Jacobs P.O. Drawer 1178 Albany, TX 76430

Sauvage Gas Company P.O. Box 132 Oberlin, KS 67749

Guy Caldwell 818 Citizens National Bank Building Abilene, TX 79604

Lee Caldwell 818 Citizens National Bank Building Abilene, TX 79604 CSG Exploration Company P.O. Box 300 Tulsa, OK 74102

Mike Kahn 911 West Broadway Seminole, OK 74868

Equity Oil Company 806 American Oil Building Salt Lake City, UT 84101

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

Bill R. Moomey Whiting Petroleum Corporation 1700 Broadway, Suite 2300 Denver, CO 80290-2300 Agnes C. Beckham P.O. Box 739 Abilene, TX 79604

Bob Beckham P.O. Box 739 Abilene, TX 79604

Robert M. Smith 3510 Clubheights Dr. Colorado Springs, CO 80906

Williams Production Rmt Co. Tower 3, Suite 1000 1515 Arapahoe Street Denver, CO 80202

Bureau Of Land Management White River Field Office 73544 Highway 64 Meeker, CO 81641

Samuel Gary, Jr. & Associates, Inc. 1670 Broadway, Suite 3300 Denver, CO 80202-4801

OIL AND GAS CONSERVATION COMMISSION OF THE STATE OF COLORADO

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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 Whiting Oil and Gas Corporation, that on June, 2007, he caused a copy of the attached Application 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 on June, 2007.
Witness my hand and official seal.
My commission expires: July 22, 2007.
Notary Public