

**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 THAT CERTAIN  
320 ACRE DRILLING AND SPACING UNIT  
DESCRIBED AS S/2 OF SECTION 32,  
TOWNSHIP 6 SOUTH, RANGE 94 WEST,  
GARFIELD COUNTY, COLORADO  
PREVIOUSLY ESTABLISHED FOR THE  
MESAVERDE FORMATION AND FOR  
ESTABLISHING TWO APPROXIMATE 160  
ACRE DRILLING AND SPACING UNITS FOR  
THE WILLIAMS FORK FORMATION OF THE  
MESAVERDE GROUP DESCRIBED AS BEING  
THE S/2 OF SAID SECTION 32, TOWNSHIP 6  
SOUTH, RANGE 94 WEST, GARFIELD  
COUNTY, COLORADO

CAUSE NO: 139

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 that certain 320 acre drilling and spacing unit established for the Mesaverde Formation covering the S/2 of Section 32, Township 6 South, Range 94 West in Garfield County, Colorado established under the Commission's Order No. 139-16 and for an order establishing two (2) approximate 160 acre drilling and spacing units for the SW/4 and SE/4 of said Section 32 for the Williams Fork Formation of the Mesaverde Group. In support of its application Applicant 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 in a substantial portion of the S/2 of Section 32, Township 6 South, Range 94 West, 6th P.M. (said S/2 of Section 32 being referred to hereinafter as the "Application Lands").
3. That pursuant to the Commission's Order No. 139-16, a 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 the Application Lands. Under the Commission's Order No. 139-28, eighty (80) acre density drilling for the Williams Fork Formation of the Mesaverde Group was authorized for the Application Lands and under the Commission's Order No. 139-64, ten (10) acre density drilling was authorized for the Application Lands.
4. That no Mesaverde wells have been drilled on S/2 of said Section 32.
5. That as to the described 320 acre drilling and spacing unit, Applicant desires that it be vacated for the reason that the lessor with the majority mineral interest in the SW/4 of said Section 32 is desirous that these lands be within a 160 acre drilling and spacing unit

consisting of the SW/4 of the Application Lands and not within a 320 acre drilling and spacing unit consisting of the Application Lands.

6. That therefore Applicant requests that the said 320 acre drilling and spacing unit be vacated and that the Application Lands be established as an two approximate 160 acre drilling and spacing units for the Williams Fork Formation. In addition, Applicant requests that ten (10) acre drilling density be approved for the Application Lands consisting of these two 160 acre drilling and spacing units.

7. That the above-proposed vacation of the described 320 acre drilling and spacing unit constituting the Application Lands and the establishment of two approximate 160 acre drilling and spacing units consisting of the Application Lands for the Williams Fork Formation of the Mesaverde Group will allow gas and associated hydrocarbon substances from the Williams Fork Formation to be developed.

8. That any Williams Fork well drilled upon the Application Lands shall be located anywhere upon such lands under the same setback requirements as set forth in the Commission's Order No. 139-64 except that such setback requirements shall apply to the boundaries of the newly established 160 acre drilling and spacing units instead of the boundary of the 320 acre drilling and spacing unit being vacated.

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 January, 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: November \_\_\_\_, 2006.

By:

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William A. Keefe  
POULSON, ODELL & PETERSON, LLC  
1775 Sherman Street, Suite 1400  
Denver, Colorado 80203  
(ph) (303) 861-4400  
(fax) (303) 861-1225

**VERIFICATION**

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

Christohpher M. Walsh, of lawful age, being first duly sworn upon oath, deposes and says that he is 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.

By: \_\_\_\_\_  
Christopher M. Walsh

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

Witness my hand and official seal.

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

\_\_\_\_\_  
Notary Public

## **EXHIBIT A**

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

Yates Petroleum Corporation  
Yates Drilling Company  
Abo Petroleum Corporation  
Myco Industries, Inc.  
105 South 4<sup>th</sup> Street  
Artesia, NM 88210

Savage Resources, LLC  
14610 W. Cornell Place  
Lakewood, CO 80228

Apollo Energy, Inc.  
1557 Ogden Street, Suite 300  
Denver, CO 80218

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

Christopher M. Walsh  
Williams Production RMT Company  
1515 Arapahoe Street, Suite 1000  
Denver, CO 80202

Jesse Smith  
Garfield County  
Henry Building  
144 E. 3rd Street  
Rifle, CO 81650

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IN THE MATTER OF THE APPLICATION OF WILLIAMS PRODUCTION RMT COMPANY FOR AN ORDER VACATING THAT CERTAIN 320 ACRE DRILLING AND SPACING UNIT DESCRIBED AS S/2 OF SECTION 32, TOWNSHIP 6 SOUTH, RANGE 94 WEST, GARFIELD COUNTY, COLORADO PREVIOUSLY ESTABLISHED FOR THE MESAVERDE FORMATION AND FOR ESTABLISHING TWO APPROXIMATE 160 ACRE DRILLING AND SPACING UNITS FOR THE WILLIAMS FORK FORMATION OF THE MESAVERDE GROUP DESCRIBED AS BEING THE S/2 OF SAID SECTION 32, TOWNSHIP 6 SOUTH, RANGE 94 WEST, GARFIELD COUNTY, COLORADO

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## AFFIDAVIT OF MAIL

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

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

That he is the attorney for Williams Production RMT Company, Applicant herein; that on November \_\_\_\_\_, 2006, he caused a copy of the attached Application to be deposited in the United States Mail, postage prepaid, addressed to each of the parties listed on Exhibit "A" to the Application.

By: William A. Keefe

Subscribed and sworn to before me this \_\_\_\_\_ day of November, 2006.  
Witness my hand and official seal.  
My commission expires: July 22, 2007.

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Notary Public