

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 ESTABLISHING WELL LOCATION
AND SETBACK RULES FOR THE DRILLING OF
WILLIAMS FORK FORMATION WELLS ON
CERTAIN DESCRIBED LANDS IN GARFIELD
COUNTY, COLORADO

CAUSE NO. 139

DOCKET NO.

APPLICATION

COMES NOW Williams Production RMT Company ("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 Williams Fork Formation of the Mesaverde Group underlying certain described lands in the East Rulison Field area, Garfield 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 Applicant owns a leasehold interest in all or a portion of the following described lands (hereinafter "Application Lands"):

Township 6 South, Range 93 West, 6th P.M.
Section 18: NW/4

Township 6 South, Range 94 West, 6th P.M.
Section 24: S/2

3. That the NW/4 of Section 18 of the Application Lands originally was part of a 320 acre drilling and spacing unit established for the Mesaverde Formation under the Commission's Order 139-8. However, the Commission's Order 139-8 was vacated as it applied to the W/2 of Section 18 in Township 6 South, Range 93 West and the NW/4 of Section 18 of the Application Lands was then established as an approximate 160 acre drilling and spacing unit for the Mesaverde Formation under the Commission's Order 139-70.

4. That the S/2 of Section 24 of the Application Lands was established as a 320 acre drilling and spacing unit for the Mesaverde Formation under the Commission's Order 139-8. That within such 320 acre drilling and spacing unit, eight (8) wells were allowed to be optionally drilled and produce from the Williams Fork Formation under the Commission's Order 139-28.

5. That multiple wells have been drilled upon the Application Lands or upon lands in close proximity to the Application lands with the result that geological and engineering evidence indicates that Williams Fork wells now should be allowed to be drilled on a ten (10) acre density basis.

6. That as to the Application Lands, the Commission should allow all future Williams Fork wells drilled thereon to be located downhole anywhere upon such lands but no closer than 100 feet from the outside boundary of the drilling unit boundary 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 in which event the well may be drilled downhole no closer than 200 feet from that portion of the unit boundary which so abuts or corners the lands in respect of which the 10 acre density downhole drilling for Williams Fork wells has not been ordered by the Commission.

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 no more than one pad located on a given quarter quarter section unless exception is granted by the Director of the Colorado Oil and Gas Conservation Commission.

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 June, 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: April ____, 2007.

POULSON, ODELL AND PETERSON, LLC

By: _____
William A. Keefe
POULSON, ODELL & PETERSON, LLC
1775 Sherman Street, Suite 1400
Denver, Colorado 80203
Phone: 303-861-4400

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

Annette Apperson, of lawful age, being first duly sworn upon oath, deposes and says that she is a Senior Landman for Williams Production RMT Company and that she has read the foregoing Application and that the matters therein contained are true to the best of her knowledge, information and belief.

Annette Apperson

Subscribed and sworn to before me this _____ day of April, 2007.

Witness my hand and official seal.

My commission expires:_____

Notary Public

EXHIBIT A

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

Annette Apperson
Williams Production RMT Company
Tower 3, Suite 1000
1515 Arapahoe Street
Denver, Colorado 80202

Jesse Smith
Garfield County
144 E. 3rd St., Suite 203
Rifle, CO 81650