

**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, forty (40) 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 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 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.

By: _____
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)	

Christopher 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 April, 2007.

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

Marion Wells
6691 County Road 309
Parachute, CO 81635

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

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

Savage Resources, LLC
910 16th Street, Suite 201
Denver, CO 80202

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

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

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

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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 April _____, 2007, 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 April, 2007.
Witness my hand and official seal.
My commission expires: July 22, 2007.

Notary Public