

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

IN THE MATTER OF THE APPLICATION OF  
BILL BARRETT CORPORATION FOR AN  
ORDER FROM THE COMMISSION  
ESTABLISHING AN APPROXIMATE TEN ACRE  
DRILLING AND SPACING UNIT FOR THE  
PRODUCTION OF GAS AND ASSOCIATED  
HYDROCARBONS FROM THE WILLIAMS FORK  
FORMATION OF THE MESAVERDE GROUP  
UNDERLYING CERTAIN DESCRIBED LANDS IN  
THE MAM CREEK FIELD AREA, GARFIELD  
COUNTY, COLORADO

CAUSE NO. 191

DOCKET NO.

**APPLICATION**

COMES NOW Bill Barrett Corporation ("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 establishing an approximate ten (10) acre drilling and spacing unit for the production of gas and associated hydrocarbons from the Williams Fork Formation of the Mesaverde Group underlying certain described lands in 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 the leasehold interests in the following described lands:

**Township 6 South, Range 92 West, 6th P. M.**

Section 36: S/2S/2S/2NW/4NE/4

Section 36: N/2N/2N/2SW/4NE/4

(hereinafter "Application Lands")

3. On February 22, 1994, the Commission issued Order No. 191-4 which established 640 acre drilling and spacing units for the production of gas and associated hydrocarbons from the Mesaverde Formation underlying certain described lands including Section 36 of Township 6 South, Range 92 West.
4. On November 13, 1997, the Commission issued Order No. 191-5 which vacated the 640 acre drilling and spacing unit consisting of Section 36 of Township 6 South, Range 92 West and established in lieu thereof sixteen (16) 40-acre drilling and spacing units for the production of oil, gas and associated hydrocarbons from the Mesaverde Group.
5. On January 10, 2005, the Commission issued Order No. 191-8 which approved additional wells to be optionally drilled and produced from the Williams Fork Formation underlying the NW/4NE/4 and SW/4NE/4 of Section 36 in Township 6 South, Range 92 West to the equivalent of one well per 10 acres.

6. By its letter to Mr. Brian Macke, the Director of the Colorado Oil & Gas Conservation Commission, dated August 10, 2006, Applicant self reported to the Commission Staff that the Scott 2-36 well drilled and completed as a vertical well in November 2001 by a predecessor operator had a downhole location in the Williams Fork Formation partially within the adjoining spacing unit. This mislocated downhole completion was not discovered by Applicant until it had undertaken a directional survey of the well and combined that data with its lease maps in 2006. The Scott 2-36 commenced production in January 2002 and continually produced until September 2005 when it was shut in due to gathering line pressure issues. The well continues to be shut-in but now Applicant desires to continue producing the well.

7. After Applicant self reported the downhole mislocation to the Commission Staff, its engineers undertook to determine the production from the Williams Fork Formation which was attributable to each of the 40 acre drilling and spacing units (i.e. 44.697% attributable to the lands north of the unit line and 55.303% attributable to the lands south of the unit line). These allocations then were sent out to all of the interested parties in each unit together with a request to approve voluntary pooling of all interests in the Application Lands. In many cases, approvals were given. However, Applicant did not receive 100% approval and therefore has determined that it is necessary to request the establishment of a ten acre drilling and spacing unit consisting of the Application Lands for the production of gas and associated hydrocarbons from the Williams Fork Formation of the Mesaverde Group (see attached plat).

8. Therefore and based upon the above, Applicant respectfully requests that the Application Lands be established as a ten (10) acre drilling and spacing unit for the production of gas and associated hydrocarbons from the Williams Fork Formation of the Mesaverde Group with the Scot 2-36 well being the designated well for such unit and with production being allocated to lands and owners in the proportions of 44.697% for the S/2S/2S/2NW/4NE/4 of section 36 and 55.303% for the N/2N/2N/2SW/4NE/4 of section 36.

9. That the above-proposed drilling and spacing unit will allow further development of the Williams Fork Formation to occur; 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.

10. 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 proposal as set forth above.

Dated this \_\_\_\_\_ day of April, 2007.

**POULSON, ODELL & PETERSON, LLC**

By: \_\_\_\_\_  
William A. Keefe  
Suite 1400  
1775 Sherman Street  
Denver, Colorado 80203

STATE OF COLORADO )  
 )  
CITY AND COUNTY OF DENVER )

William R. Givan, of lawful age, being first duly sworn upon oath, deposes and says that he is the Landman for Bill Barrett 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.

---

William R. Givan

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

Witness my hand and official seal.

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

Notary Public

## EXHIBIT A

Duane G. Scott  
344 Fairway Avenue  
Rifle, CO 81650

Annie J. Scott Revocable Trust  
344 Fairway Avenue  
Rifle, CO 81650

Miller Land & Cattle Company  
7121 County Road 311  
New Castle, CO 81647

Douglas A. Denton  
1501 Princeton  
Midland, TX 79701

VZ Walton Investments, LLC  
1224 East McMurray Blvd  
Casa Grande, AZ 85222

Kinney Oil Company  
1401 17<sup>th</sup> Street, Suite 870  
Denver, CO 80202

EnCana Oil & Gas (USA), Inc.  
370 17<sup>th</sup> Street, Suite 1700  
Denver, CO 80202

Questar Exploration & Production  
180 East 100 South  
Salt Lake City, UT 84145-0601

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

Bill Gavin, Senior Landman  
Bill Barrett Corporation  
1099 18th Street, Suite 2300  
Denver, CO 80202

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

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

IN THE MATTER OF THE APPLICATION OF  
BILL BARRETT CORPORATION FOR AN  
ORDER FROM THE COMMISSION  
ESTABLISHING AN APPROXIMATE TEN ACRE  
DRILLING AND SPACING UNIT FOR THE  
PRODUCTION OF GAS AND ASSOCIATED  
HYDROCARBONS FROM THE WILLIAMS FORK  
FORMATION OF THE MESAVERDE GROUP  
UNDERLYING CERTAIN DESCRIBED LANDS IN  
THE MAM CREEK FIELD AREA, GARFIELD  
COUNTY, COLORADO

CAUSE NO. 191

DOCKET NO.

**AFFIDAVIT OF MAILING**

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

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

That he is the attorney for Bill Barrett Corporation, that on April \_\_\_\_, 2007 he caused a copy of the attached Application in the subject docket 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 April \_\_\_\_, 2007.

Witness my hand and official seal.

My commission expires: July 22, 2007

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