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

IN THE MATTER OF THE APPLICATION OF ENCANA OIL & GAS (USA) INC. FOR AN ORDER VACATING ORDER NO. 296-1 FOR THE LOWER ISMAY FORMATION COVERING CERTAIN LANDS LOCATED IN SAN MIGUEL COUNTY, COLORADO

Cause No. 296 Docket No. _____

APPLICATION

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EnCana Oil & Gas (USA) Inc. ("Applicant"), by and through its undersigned attorneys, respectfully applies to the Oil and Gas Conservation Commission of the State of Colorado (the "Commission") for an order vacating a previous order which established a 640-acre drilling and spacing unit for certain lands in Township 43 North, Range 17 West, N.M.P.M., 6th P.M. for the production of gas from the Lower Ismay formation. In support thereof, Applicant states and alleges as follows:

1. Applicant is a corporation duly authorized to conduct business in the State of Colorado.

2. Applicant owns leaseholds interests in the following described lands

Township 43 North, Range 17 West Section 8: All

San Miguel County, Colorado

hereafter (the "Application Lands").

3. The Application Lands are included within Order No. 296-1 Through such Order entered into on April 15, 1975, this Commission established a 640-acre drilling and spacing unit for production from the Lower Ismay Formation, and established No. 1 Slick Rock Well ("Slick Rock #1"), as the permitted well for said unit, with a location 1650 feet from the south line and 660 feet from the east line of said Section 8.

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4. On November 2, 1981, the Slick Rock #1 was completed in the Lower Ismay Formation in the Application lands. The Slick Rock #1 only produced approximately 8854 MCF until it was plugged and abandoned on June 6, 1983. No other wells have been drilled or completed in the Lower Ismay Formation in the Application Lands, or in any formation within Application Lands.

5. Applicant requests the Commission vacate the existing spacing established by Order 296-1 pertaining to the Lower Ismay Formation in the Application Lands. There is presently no producing well in the Application Lands.

6. Vacation of Order No. 296-1 will not result in waste or the drilling of unnecessary wells. Vacation of Order 296-1 will not affect correlative rights of any parties as there has been no production in the Application Lands for over 24 years and because there is no well presently producing in the Application Lands.

7. Vacation of Order No. 296-1 will permit Applicant to drill wells to the Lower Ismay Formation in the Application Lands in accordance with the provisions of Rule 318 of the Rules and Regulations of this Commission.

8. Upon information and belief the names and addresses of the interested parties are set forth on Exhibit A, attached hereto and made a part hereof.

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WHEREFORE, Applicant respectfully requests that this matter be set for hearing on the Commission's June 2007 docket and that the Commission enter its Order consistent with the Applicant's request as set forth above.

Respectfully submitted this _____ day of April, 2007.

Respectfully submitted,

ENCANA OIL & GAS (USA) INC.

By:_

Michael J. Wozniak Susan L. Aldridge Beatty & Wozniak, P.C. Attorneys for Applicant 216 16th Street, Suite 1100 Denver, Colorado 80202 (303) 407-4499

<u>Applicant's Address</u>: 370 17th Street, Suite 1700 Denver, Colorado 80202

VERIFICATION

STATE OF COLORADO

COUNTY OF _____

Oscar Duarte as Land Negotiator of EnCana Oil & Gas (USA) Inc. upon oath deposes and says that he has read the foregoing Application and that the statements contained therein are true to the best of his knowledge, information and belief.

) ss.

By:_____ Oscar Duarte

Subscribed and sworn to before me this _____ day of April, 2007, by Oscar Duarte as Land Negotiator of EnCana Oil & Gas (USA) Inc.

Witness my hand and official seal. My commission expires:

Notary Public

[SEAL]

EXHIBIT A

List of Interested Parties

NORMA MCCALL 7552 CREEKRIDGE LN CITRUS HEIGHTS, CA 95610

PETER ROBERT SKEES WARTENA 6324 CHELTENHAM WAY CITRUS HEIGHTS, CA 95621

ARNOLD MICHAEL WARTENA 7865 LAKEPORT CIR ELVERTA, CA 95626

STEVEN M SUCKLA ET UX 21173 HWY 141 #4 SLICK ROCK, CO 81325

JAMES L. AND ELOISE C. GARBARENO 5830 VISTA VAL VERDE TUCSON, AZ 87518

WILLIAM L PERKINS ET UX 3805 CLAUDIA ST. SALT LAKE CITY, UT 84120

DOROTHY PERKINS 720 E 200 S PRICE, UT 84501

LELIA JONES 105 N SIERRA BONITA MAPLETON, UT 84664

CLOE ANN SHUMWAY ET VIR 214 W 500 N #22 7 BLANDING, UT 84511

STEPHEN Y PERKINS ET UX 292 W. 1970 S. HURRICANE, UT 84737

GEORGE W AND JENNY PERKINS 1860 W 1460 N PROVO, UT 84604

IVA LOO PERKINS 484 W 300 N #112 7 BLANDING, UT 84511 ERLINE P AND HAROLD FROST PO BOX 580 MONTICELLO, UT 84535

C&M MINERAL TRUST 65891 SOLAR ROAD MONTROSE, CO 81401

STEVEN M SUCKLA ET UX 21173 HWY 141 #4 SLICK ROCK, CO 81325

CABOT OIL & GAS CORPORATION 600 17TH STREET, SUITE 900 NORTH DENVER, CO 80202

BURLINGTON RESOURCES OIL & GAS COMPANY, LP ACQUIRED BY CONOCOPHILLIPS 600 NORTH DAIRY ASHFORD (77079-1175) P.O. BOX 2197 HOUSTON, TX 77252-2197

GAYLENE AND REED HURST 11694 NORTH BUFFALO ROAD POCATELLO, IDAHO 83202

BONNIE PETTY 618 WEST 100 SOUTH (50-4) BLANDING, UTAH 84511

SUSIE BOLAND AND WILLIAM BOLAND P.O. BOX 52 BLANDING, UTAH 84511

TRUDY LATHAM 89 SOUTH 300 WEST (55-7) BLANDING, UTAH 84511

BUREAU OF LAND MANAGEMENT SAN JUAN PUBLIC LANDS CENTER 15 BURNETT COURT DURANGO, CO 81301

MICHAEL ROZYCKI SAN MIGUEL COUNTY P.O. BOX 548 TELLURIDE, CO 81435