

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

IN THE MATTER OF THE APPLICATION)
OF CONOCOPHILLIPS COMPANY FOR)
AN ORDER ESTABLISHING SPACING)
AND WELL LOCATION RULES FOR THE)
WILLIAMS FORK FORMATION OF THE)
MESAVERDE GROUP FOR CERTAIN)
DESCRIBED LANDS IN THE WILDCAT)
FIELD, GARFIELD COUNTY, COLORADO)

CAUSE NO. 510
DOCKET No. _____

VERIFIED APPLICATION

ConocoPhillips Company (Applicant), by and through its attorneys Bjork Lindley Little PC, respectfully submit this Application to the Oil and Gas Conservation Commission of the State of Colorado (Commission) for an order establishing field rules applicable to the drilling and producing of wells from the Williams Fork Formation of the Mesaverde Group covering certain described lands in the Wildcat Field, Garfield County, Colorado and in support of its Application state and allege as follows:

1. Applicant is a business entity duly authorized to conduct business in the State of Colorado.
2. Applicant owns leasehold interests in all or portions of the lands described as follows:

Township 5 South, Range 96 West, 6th P.M.

Section 6: All

Section 7: All

Section 17: W½

Section 18: All

Garfield County, Colorado

(hereafter the "Application Lands").

3. The Application Lands are subject to the Commission's Rule 318.a. governing locations of wells on unspaced lands.

4. The following described lands are subject to the Commission's Order No. 510-13, which provides for optional drilling of wells equivalent to one per 10 acres, with the permitted wells to be located anywhere within the Application Lands but no closer than 100 feet from any lease line without exception being granted by the Director, except that (1) with respect to lease lines abutting or cornering lands for which the Commission has not at the time of the drilling permit application granted the right to drill 10-acre density wells, the well shall be located downhole no closer than 200 feet from the lease line so abutting or cornering such lands, and (2) no more than four (4) Williams Fork wells should be drilled downhole per governmental quarter quarter section:

Township 5 South, Range 96 West, 6th P.M.

Section 2:	W $\frac{1}{2}$, less and except those portions conveyed by Union Oil Company of California to Exxon Corporation by Special Warranty Deed recorded in Book 640, Page 869, Garfield County, Colorado.
Sections 3 through 5:	All
Sections 8 through 10:	All
Section 11:	W $\frac{1}{2}$, less and except those portions conveyed by Union Oil Company of California to Exxon Corporation by Special Warranty Deed recorded in Book 640, Page 869, Garfield County, Colorado
Section 14:	W $\frac{1}{2}$, SE $\frac{1}{4}$, W $\frac{1}{2}$, NE $\frac{1}{4}$
Sections 15 and 16:	All
Section 17:	E $\frac{1}{2}$
Sections 21 through 28:	All
Section 33:	N $\frac{1}{2}$ N $\frac{1}{2}$, less and except the West 32 rod of the NW $\frac{1}{4}$ NW $\frac{1}{4}$ containing 16 acres, more or less
Sections 34 through 36:	All

5. The following described lands are subject to the Commission's Order No. 510-17, which provides for optional drilling of wells equivalent to one per 10 acres, with the permitted wells to be located anywhere within the Application Lands but no closer than 100 feet from any lease line without exception being granted by the Director, except that (1) with respect to lease lines abutting or cornering lands for which the Commission has not at the time of the drilling permit application granted the right to drill 10-acre density wells, the well shall be located downhole no closer than 200 feet from the lease line so abutting or cornering such lands, and (2) no more than four (4) Williams Fork wells should be drilled downhole per governmental quarter quarter section:

Township 5 South, Range 97 West, 6th P.M.

Section 1:	All
Section 2:	E $\frac{1}{2}$
Section 3:	All
Sections 4 and 5:	N $\frac{1}{2}$
Sections 10 through 15:	All
Section 16:	S $\frac{1}{2}$
Section 17:	W $\frac{1}{2}$
Section 19:	S $\frac{1}{2}$
Sections 20 through 22:	All
Sections 23 and 24:	E $\frac{1}{2}$
Sections 25 through 27:	All
Section 28:	SW $\frac{1}{4}$
Section 29:	W $\frac{1}{2}$
Section 30:	All
Section 31:	N $\frac{1}{2}$
Sections 32 through 36:	All

6. The following described lands are subject to the Commission's Order No. 510-18, which provides for optional drilling of wells equivalent to one per 10 acres, with the permitted wells to be located anywhere within the Application Lands but no closer than 100 feet from any lease line without exception being granted by the Director, except that (1) with respect to lease

lines abutting or cornering lands for which the Commission has not at the time of the drilling permit application granted the right to drill 10-acre density wells, the well shall be located downhole no closer than 200 feet from the lease line so abutting or cornering such lands, and (2) no more than four (4) Williams Fork wells should be drilled downhole per governmental quarter quarter section:

Township 5 South, Range 96 West, 6th P.M.

Section 19:	S½
Section 20:	All
Sections 29 through 32:	All
Section 33:	S½
Section 35:	S½

7. The following described lands are subject to the Commission's Order No. 510-25, which provides for optional drilling of wells equivalent to one per 10 acres, with the permitted wells to be located anywhere within the Application Lands but no closer than 100 feet from any lease line without exception being granted by the Director, except that (1) with respect to lease lines abutting or cornering lands for which the Commission has not at the time of the drilling permit application granted the right to drill 10-acre density wells, the well shall be located downhole no closer than 200 feet from the lease line so abutting or cornering such lands, and (2) no more than four (4) Williams Fork wells should be drilled downhole per governmental quarter quarter section:

Township 5 South, Range 96 West, 6th P.M.

Section 19:	Lot 1 (N½NW¼), containing 51.29 acres
Section 33:	S½N½ and the West 32 rods of the NW¼NW¼, containing 176 acres, more or less
Section 36:	SW¼, containing 160 acres more or less

8. The Application Lands are subject to Commission Rule 318.a. which requires that wells drilled in excess of two thousand five hundred (2,500) feet in depth be located not less than six hundred (600) feet from any lease line, and located not less than one thousand two hundred (1,200) feet from any other producible or drilling oil or gas well when drilling to the same common source of supply, unless authorized by order of the Commission upon hearing.

9. The Applicant, or entities with which the Applicant has a contractual relationship, have drilled, tested, and completed multiple wells in the Williams Fork Formation of the Mesaverde Group upon other nearby lands.

10. As described above, the allowable well density in much of the lands adjacent to the Application Lands is consistent with the requested density in this Application, pursuant to various orders of the Commission including Order Nos. 510-13, 510-17, 510-18, and 510-25.

11. In order to promote efficient drainage within the Williams Fork Formation of the Mesaverde Group of the Application Lands, to protect correlative rights, and to avoid waste, the Commission should increase the number of wells which can be optionally drilled into and produced from the Williams Fork Formation of the Application Lands to the equivalent of one well per 10 acres.

12. That as to all future Williams Fork wells to be drilled upon the Application Lands, each well may be located anywhere upon the Application Lands but no closer than 100 feet from the boundaries of any approved federal unit or any lease line, without exception being

granted by the Director, except that (1) with respect to lease lines abutting or cornering lands for which the Commission has not at the time of the drilling permit application granted the right to drill 10-acre density wells, unless said lease line abutting on or cornering the Application Lands is within an approved federal unit, the well shall be located downhole no closer than 200 feet from the boundary of the lease line so abutting or cornering such lands, and (2) no more than four Williams Fork wells may be drilled downhole per governmental quarter quarter section.

13. Applicant commits that wells to be drilled under this Application will be drilled, on average, if topographically feasible throughout the Application Lands, 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 Commission.

14. The above-proposed spacing and well location rules will allow more efficient drainage of the Williams Fork Formation of the Mesaverde Group; will prevent waste; will not adversely affect correlative rights and will assure the greatest ultimate recovery of gas and associated hydrocarbon substances from the reservoir.

15. The names and addresses of the interested parties according to the information and belief of the Application are set forth in Exhibit A attached hereto and made a part hereof.

WHEREFORE, Applicant respectfully requests that this matter be set for hearing, 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 in paragraphs 11 through 13 and for such further relief as the Commission may deem just and advisable.

Dated this 20th day of March, 2007.

Respectfully submitted,

CONOCOPHILLIPS COMPANY

By: _____

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Robert C. Mathes
Bjork Lindley Little PC
Attorneys for Applicant
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Denver, Colorado 80202
(303) 892-1400
Fax: (303) 892-1401

Applicant's Address:

1801 Broadway, Suite 800
Denver, Colorado 80202

VERIFICATION

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

Kurt S. Froistad, of lawful age, being first duly sworn upon oath, deposes and says that he is the Land/Regulatory Lead-Piceance for ConocoPhillips Company, that he has read the foregoing Application and that the matters therein contained are true to the best of his knowledge, information and belief.

ConocoPhillips Company

By: /s/ Kurt Froistad

Subscribed and sworn to before me this 20th day of March, 2007.

Witness my hand and official seal.

/s/ Carolyn A. Gilroy
Notary Public

My commission expires: 12/28/2010

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EXHIBIT A

INTERESTED PARTIES

EnCana Oil & Gas (USA) Inc.
370 Seventeenth Street, Suite 1700
Denver, Colorado 80202

Yates Petroleum Corporation
105 South 4th Street
Artesia, New Mexico 88210

Chevron U.S.A. Inc.
P.O. Box 285
Houston, Texas 77001

Piceance Operating Company, LLC
5201 Truxton Avenue, Suite 300
Bakersfield, California 93309-0640

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

Teton Piceance, LLC
410 Seventeenth Street, Suite 1850
Denver, Colorado 80202

ABO Petroleum Corporation
105 South 4th Street
Artesia, New Mexico 88210

Hexagon Investments Inc.
Attn: Conway J. Schatz
730 Seventeenth Street, Suite 800
Denver, Colorado 80202

Myco Industries, Inc.
105 South 4th Street
Artesia, New Mexico 88210

Goldline Creek, LLC
Attn: Brian Fleishmann
6012 South Moline Way
Englewood, Colorado 80111

Yates Drilling Company
105 South 4th Street
Artesia, New Mexico 88210

PHH 2000 Inc.
Attn: Patrick Hamill
4908 Tower Road
Denver, Colorado 80249

Delta Petroleum Corporation
370 Seventeenth Street, Suite 4300
Denver, Colorado 80202

PGR Partners, LLC
370 Seventeenth Street, Suite 4300
Denver, Colorado 80202

Marathon Oil Company
5555 San Felipe Street
Houston, Texas 77056

Duane Spencer
Fluid Minerals
BLM Colorado State Office
2850 Youngfield Street
Lakewood, Colorado 80215-7093

Jesse Smith
Garfield County LGD
108 8th Street – Administration
Glenwood Springs, Colorado 81601