

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

IN THE MATTER OF THE APPLICATION OF)
NOBLE ENERGY INC. FOR AN ORDER)
ESTABLISHING SPACING AND WELL)
LOCATION RULES FOR DRILLING AND)
PRODUCING OF WELLS FROM THE WILLIAMS) Cause No. 318, 139
FORK AND ILES FORMATIONS OF THE) Docket No. _____
MESAVERDE GROUP FOR CERTAIN)
DESCRIBED LANDS IN THE RULISON FIELD,
GARFIELD COUNTY, COLORADO

VERIFIED APPLICATION

Noble Energy Inc. ("Noble"), by and through its attorneys, Beatty & Wozniak, P.C., respectfully submits this Application to the Oil and Gas Conservation Commission of the State of Colorado (the "Commission") for an order establishing spacing and well location rules applicable to the drilling and producing of wells from the Williams Fork and Iles Formations of the Mesaverde Group covering certain described lands in the Rulison Field, Garfield County, Colorado and in support of its Application states and alleges as follows:

1. Applicant is a corporation duly authorized to conduct business in the State of Colorado.
2. Applicant owns leasehold interests in the following described lands:

Township 8 South, Range 96 West, 6th P.M.

Section 3: N $\frac{1}{2}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ NW $\frac{1}{4}$

Garfield County, Colorado.

(hereafter the "Application Lands").

3. The Application Lands are unspaced and are subject to Commission's Rule 318.a. To promote the efficient drainage of the Williams Fork and Iles formation of the Mesaverde group, Applicant requests that the Commission establish three forty (40) acre drilling and spacing units for the Williams Fork and Iles formations, to wit, the NW $\frac{1}{4}$ NE $\frac{1}{4}$, the NE $\frac{1}{4}$ NE $\frac{1}{4}$ and the NE $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 3.

4. Through this Application, the Applicant requests the effective well density for the Application Lands be the equivalent of one well per 10 acres for both the Williams Fork and the Iles Formations.

5. That Applicant has drilled, tested and completed multiple wells in the Williams Fork and Iles Formations of the Mesaverde Group upon the lands nearby to Application Lands.

6. That to promote efficient drainage within the Williams Fork and Iles Formations of the Mesaverde Group of the Application Lands, the Commission should apply consistent rules to the Application Lands to increase the number of wells which can be optionally drilled into and produced from each of the Williams Fork and Iles Formation of the Application Lands which constitute existing drilling units (or portions thereof) to the equivalent of one well per 10 acres, or 4 wells for each established 40-acre drilling and spacing unit.

7. That as to all future Williams Fork/Iles wells to be drilled upon the Application Lands, each well may be located downhole in the established drilling and spacing unit but no closer than one hundred (100) feet from the unit boundary unless the 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 ten (10) acre density wells, in which event the well shall 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 ten (10) acre density downhole drilling for Williams Fork or Iles well has not been ordered by the Commission.

8. Applicant commits that 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, and that both the Williams Fork and Iles formations will be reached from a single wellbore, *i.e.*, separate wells will not be drilled to each formation. In this manner the wells will be economic as to both formations.

9. That the above-proposed density and well location rules will allow more efficient drainage of the Williams Fork and Iles Formations of the Mesaverde Group; will prevent waste; will not adversely effect 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, and the undersigned certifies that copies of this Application shall be served on each interested party within the next seven days as required by Rule 503.d.

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.

Dated this 14th day of September, 2007.

Respectfully submitted,

NOBLE ENERGY INC.

By: _____
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Denver, Colorado 80202

VERIFICATION

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

Robin Hill-Richardson, a Senior Landman of Noble Energy Inc., upon oath deposes and says that she has read the foregoing Application and that the statements contained therein are true to the best of his knowledge, information and belief.

NOBLE ENERGY INC.

By: _____
Robin Hill-Richardson, Senior Landman

Subscribed and sworn to before me this ____ day of _____, 2007, by Robin Hill-Richardson.

Witness my hand and official seal. My commission expires: _____

Notary Public

EXHIBIT A

INTERESTED PARTIES

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