

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

IN THE MATTER OF THE APPLICATION OF)	
BP AMERICA PRODUCTION COMPANY FOR)	Cause No. 112
AN ORDER POOLING ALL NONCONSENTING)	
INTERESTS IN THE FRUITLAND COAL)	Docket No. _____
FORMATION IN AN ESTABLISHED 320-ACRE)	
DRILLING AND SPACING UNIT LOCATED IN)	
THE IGNACIO BLANCO FIELD, LA PLATA)	
COUNTY, COLORADO)	

APPLICATION

BP America Production Company (referred to herein as “Applicant”), by and through its undersigned attorney, hereby submits this application to the Oil and Gas Conservation Commission of the State of Colorado (“COGCC”), for an order to pool all non-consenting interests for the drilling of Wells in an established 320-acre drilling and spacing unit in the Fruitland coal Formation consisting of the N/2 of Section 29, Township 34 North, Range 7 West, 6th P.M., Weld County, Colorado. In support thereof, the Applicant states and alleges as follows:

1. That the Applicant is a corporation duly authorized to conduct business in the State of Colorado.
2. That the Applicant owns certain leasehold interests in the unit requested for pooling.
3. That pursuant to COGCC Orders originally established in Cause No. 112, specifically Order Nos. 112-6, 112-46, 112-60, and 112-157, there are established 320-acre drilling and spacing units for the production of gas from the Fruitland-Pictured Cliffs and Mesaverde formations, including the following described lands at issue in this Application.

Township 34 North, Range 7 West, 6th P.M.
Section 29: N ½

An optional second Fruitland coal seam well was authorized by Order No. 112-157 in the 320-acre drilling and spacing unit for the production of gas from the Fruitland coal seams underlying the lands described above. Subsequently, Order No. 112-180 authorized a total of four (4) wells to be optionally drilled in each 320-acre drilling and spacing unit, with the permitted well to be located no closer than 660 feet to any outer boundary of the unit with no interior section line setback, utilizing a common or expanded pad with an existing well, for production of gas from the Fruitland coal seams.

4. Applicant has drilled the following well within the 320-acre drilling and spacing unit described in paragraph 3 above as follows: Sparks GU B No. 1 Well, with a surface location at 2515.6’ FNL and 2016’ FEL and with a bottomhole located at 1876’ FNL and 802’ FEL of Section 29 as reflected on the approved APD attached hereto as Exhibit B.
5. That some of the parties listed on Exhibit A hereto own separate leased mineral interests in the N/2 of Section 29 encompassed within the drilling and spacing unit, and such parties have been offered the option to participate in the drilling of the well in the unit, but to date one or more of such parties have refused to participate by bearing their proportionate shares of the costs and risks of drilling or operating the wells. An AFE containing the information required by COGCC Rule 530.a. was sent regarding this well more than thirty (30) days prior to the date of the hearing on this Application. A copy of an example of such AFE and letter is attached hereto as Exhibit C.

6. Moreover, that with respect to any non-consenting owners of unleased mineral interests listed on Exhibit A, Applicant has made reasonable attempts pursuant to COGCC Rule 530.b. to enter into leases with such parties but has as of yet been unsuccessful in such attempts.

7. That in order to prevent waste, protect correlative rights and in the best interests of conservation, all interests owned by the nonconsenting parties listed on Exhibit A should be pooled in the Fruitland Coal Formation in accordance with C.R.S. § 34-60-116 and Rule 530 of the COGCC.

8. That the names and addresses of the interested parties with respect to this Application are as set forth in Exhibit A hereto.

WHEREFORE, Applicant respectfully requests that this matter be set for hearing, that notice thereof be given as required by law and that upon such hearing this Commission enter its order:

A. That all leasehold working interest owners with whom Applicant has been unable to secure an agreement for the drilling of the proposed well and all unleased mineral interests owners who refuse to execute a lease as described in paragraphs 4 and 5 be pooled involuntarily with respect to the Fruitland Coal Formation wells, to be located within the drilling and spacing unit described above, and that such owners be treated as non-consenting owners under C.R.S. § 34-60-116 and made subject to the terms and penalties provided for therein.

B. For such other findings and orders as the Commission may deem proper or advisable in the premises.

DATED this 5th day of July, 2007.

Respectfully submitted,

BP AMERICA PRODUCTION COMPANY

By:

Michael J. Wozniak
Susan L. Aldridge
BEATTY & WOZNIAK, P.C.
216 16th Street, Suite 1100
Denver, CO 80202
(303) 407-4499

Applicants' Address:

1660 Lincoln St Suite 3000
Denver CO 80202

VERIFICATION

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

James W. Hawkins of lawful age, being first duly sworn upon oath, deposes and says that he is the Regulatory Consultant for San Juan for BP America Production 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.

James W. Hawkins

Subscribed and sworn to before this 5th day of July, 2007.

Witness my hand and official seal.

My commission expires:

Notary Public

[SEAL]

EXHIBIT A

Consenting Owners

Harris, Jonnie
6401 Dovenshire Terrace
Ft. Worth, TX 76112

Ainsworth, Frank Earl
2710 Freedom Heights
Colorado Springs, CO 80904

Allen, Matthew C./Teddie J. Trust
PO Box 769
Memphis, TX 79245-0769

Harding, Barbara Allen Thomas
PO Box 1566
Hawkins, TX 75765

Pinckert, Emma
PO Box 936
Ignacio, CO 81137

Pinckert, Ovid L.
2941 Fairview Drive
Nyssa, OR 97913

Massingill, Carol
4334 Lone Oak Road SE
Salem, OR 97302

Pinckert, Mike
20031 Pinehurst Bend Drive
Humble, TX 77346

Legill, Louise
1021 N. Oak Drive
Bayfield, CO 81122-9793

Knight, Lorraine et al
Address unknown

Akers, Barbara
Address unknown

Austin, Ernest F.
Address unknown

Garvey, Robert Webb/AddieLou
655 County Road 509
Ignacio, CO 81137

Williams Family Partnership
C/O Kristine Gilleland, 519 CR 509
Ignacio, CO 81137

Gilleland, Jack/Kristine
514 County Road 509
Ignacio, CO 81137-9730

Sparks, Joe N. & Rebecca J.
280 County Road 509
Ignacio, CO 81137

Sparks, Rexel F./Hilda E.
PO Box 20
Cuervo, NM 88417

Gilleland, Jack/Kristine
514 County Road 509
Ignacio, CO 81137-9730

Knight, D. Russell
PO Box 1296
Bayfield, CO 81122-1296

Webber, Clifford W./Olive P. Trust
PO Box 24
Wadsworth, NV 89442-0024

Akers, Barbara R.
Address unknown

Non Consenting Owners

Hayworth, Nancy Kay Rutledge
PO Box 526
Palisade, CO 81526

Lee, Mollie Ann Rutledge Clark
224 Hillcrest Drive
Burnet, TX 78611

Grier, Susan R.
1112 Post Oak Road
Wichita, KS 67202

Rutledge, JR. William K.
1700 21st Avenue E
Seattle, WA 98112

Rutledge, Evan S.
2100 Sylvan Drive
Abilene, TX 79605

Ehlo, Kate Rutledge
1108 South Rockford Road
Ardmore, OK 73401

Burns, Alice Rutledge
c/o Gilliland & Hays, PA
301 N. Main
Wichita, KS 67202

Jacobson, Elizabeth Rutledge
6508 Courtyard Drive
Austin, TX 78730

Tate, Dale E.
PO Box 983
Ignacio, CO 81137

Ranney, Wilbur L./Clementina
c/o Nelson Ranney
324 East Hope Street
Mesa, AZ 85201

Ranney, Bruce
c/o Monte Miller 5
506 South Mohade Sage
Gold Canyon, AZ 85219

Herrera, Louis D./Juanita L.
PO Box 151
Ignacio, CO 81137

Posey, Deborah A./Ronnie P.
509 CR 509
Ignacio, CO 81137

Williams, Clarence C. et al
Address unknown

Austin, Ernest F.
Address unknown

Sparks, Rexel/Hilda Rev. Trust
PO Box 20
Cuervo, NM 88417

Jones, Ima Jean
413 Woods Drive
Columbia, TN 38401-4744

Jones, James M. Jr.
267 Loop Road
Gatlinburg, TN 37738

Jones, Richard Lindsey
4 Meadowcrest
Viburnum, MO 65566

Leek, Judy Jones
6085 Goose Hollow Road
Dawson, GA 31742

Catamount Royalty Partners
PO Box 22084
Denver, CO 80222

JDH Resources LLC
9998 E. Hawaii Place
Denver, CO 80247

Life Royalties, Inc.
306 West 7th St #504
Ft. Worth, TX 76102-4905

Dayhuff, Donald E./Gloria J.
2148 Pinon Drive
Erie, CO 80516-7956

Chandler, Patricia McDonald Trust
4550 Cherry Creek South Dr #1600
Denver, CO 80246

Chandler, Collis P. III
475 17th Street, Suite #1210
Denver, CO 80202

Ridl, Scott
6061 Russell Lane
Golden, CO 80403

Rawhide, LLC
2215 S. Field Way
Lakewood, CO 80227

UMC Petroleum Corporation
PO Box 4600
Houston, TX 77210-4600

McDaniel, John T. Estate
15083 S. Elk Creek Road
Pine, CO 80470-9203

Mckinney Revocable Trust
181 CR 3100
Aztec, NM 87410

Upton, Nancy L. Living Trust
1105 Trowbridge lane
Rockford, IL 61107-2837

Wright, Jimmy C./Mary Ann Trust
602 SW 12th
Seminole, TX 79360

Clark, Robert

Morley, Mae