

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 S/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: S 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 drill the following well within the 320-acre drilling and spacing unit described in paragraph 3 above as follows: Gary Patrick GU No. 1 Well, with a surface location at 1957.7’ FSL and 2188’ FEL and with a bottomhole located at 1883’ FSL and 2523’ 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 S/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

Reinhardt, Daven F./Janet S.
1621 County Road 316
Ignacio, CO 81137

Cugnini Land and Cattle Co.
677 East 3rd Avenue
Durango, CO 81301

Stanberry, Mary Eleanor
450 Seminole Court
Grand Junction, CO 81504

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

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

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

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

Elms, Earl Edwin
Address unknown

Sexton, John R./Barbara B.

Clark, Robert

Morley, Mae

Pettigrew, Karen Lynne Bailey
4013 Hydridge
Austin, TX 78759

Bailey, Martha Ann Tull Trust
Address unknown

Flowers, Sydna Family Trust
Address unknown

Engel, Barbara T. Trust
225 County Road 516
Ignacio, CO CO 81137

Earnest, Dan
510 Zig Zag Drive
Devine, TX 78016

Elms, Earl Edwin
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

Patrick, Leslie et al
12904 Highway 172
Ignacio, CO 81137

Patrick, Leslie Lee Rev. Trust
12904 Highway 172
Ignacio, CO 81137

Patrick, Norma Jean Rev. Trust
12904 Highway 172
Ignacio, CO 81137

Renshaw, Stephen Vance Trust
167 PR 2313
Decatur, TX 76234

Renshaw, Lisa Carol Trust
1173CR 2311
Decatur, TX 76234

Renshaw, Lucius Scott Trust
1251 7th Avenue North, No. 303
Naples, FL 34102

Renshaw, Julie Kay
2908 Hidden Forest Drive
McKinney, TX 75070

Tull, John H. Jr. Trust #1
1285 Gulfshore Blve N A-4
Naples, FL 34102

Tull, Christopher M. Trust #1
1285 Gulfshore Blve N A-4
Naples, FL 34102

Tull, Jane Ann Trust #1
1285 Gulfshore Blve N A-4
Naples, FL 34102

Tull, John Hugh
4706 Harley Avenue
Ft. Worth, TX 76107-3714