

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

IN THE MATTER OF THE APPLICATION OF	)	
BERRY PETROLEUM COMPANY FOR AN	)	
ORDER ESTABLISHING DRILLING AND	)	
SPACING UNITS AND WELL LOCATION	)	
RULES FOR THE WILLIAMS FORK	)	Cause No. 510
FORMATION OF THE MESAVERDE GROUP	)	Docket No. _____
FOR CERTAIN DESCRIBED LANDS IN	)	
GARFIELD COUNTY, COLORADO	)	
	)	

**AMENDED APPLICATION**

Berry Petroleum Company ("Applicant"), 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 **five** drilling and spacing units and confirming existing well location rules applicable to the drilling and producing of wells from the Williams Fork Formation of the Mesaverde Group covering certain described lands in 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 6 South, Range 96 West, 6<sup>th</sup> P.M.  
**Section 5: Lots 1-4 (containing approximately 137.53 acres)**  
**Section 5: Lots 5-12 (containing approximately 337.63 acres)**  
Section 6: Lots 1-8 (containing approximately 239.35 acres)  
Section 6: Lots 9-16 (containing approximately 327.83 acres)  
Section 6: Lots 17 & 18 and SW/4, W/2SE/4 aka S/½ (containing 327.77 acres) (a total of 894.95 acres more or less)

Garfield County, Colorado.

(hereafter the "Application Lands").

3. Pursuant to Commission Order 510-11, additional wells are allowed to be drilled for the production of gas and associated hydrocarbons from the Williams Fork Formation of the Mesaverde Group, the equivalent of one (1) well per 10 acres for the Application Lands. The permitted downhole location for each new Williams Fork Formation well drilled upon the Application Lands shall be located downhole anywhere in the drilling and spacing unit but no closer than 100 feet from the boundaries of the unit without exception being granted by the Director. For lands that the Commission has not at the time of the drilling permit application granted the right to drill 10 acre density, the well shall be located downhole no closer than 200 feet from the boundary or boundaries of the drilling unit so abutting or cornering such lands without exception being granted by the Director.

4. Order 510-11 further ordered that the permitted downhole location for each new Williams Fork Formation well drilled upon the Application Lands, if unspaced, shall be located anywhere upon the Application Lands, but no closer than 100 feet from the boundaries of any lease line unless such lease line abuts or corners lands in respect of which the Commission has not at the time of a drilling application granted the right to drill 10 acre density wells in which event the wells shall be drilled downhole no closer than 200 feet from the lease line which so abuts or corners the lands in respect of which 10 acre density downhole drilling for Williams Fork Formation wells has not been ordered by the Commission. Wells within a given quarter-quarter shall be drilled from the surface either vertically or directionally from one pad located on that quarter-quarter section.

5. Pursuant to Commission Order 510-18, the Commission established 320-acre drilling and spacing units for the Williams Fork Formation for the Application Lands.<sup>1</sup> Order 510-18 established that the number of wells which can be optionally drilled into and produced from the Williams Fork Formation of the Application Lands as the equivalent of one well per 10 acres. The Order further stated that as to all future Williams Fork wells to be drilled on the Application Lands shall be located anywhere downhole in the established 320-acre drilling and spacing unit but no closer than 100 feet from the boundaries of the unit or lease line, without exception being granted by the Director, except that with respect to units 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 boundary of the drilling unit so abutting or cornering such lands, and no more than four (4) Williams Fork Formation wells shall be drilled downhole per governmental quarter quarter section. Wells drilled on the Application Lands shall be drilled, on average, if topographically feasible throughout the 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.

6. In its present form, **Section 5 described in the Paragraph 2 and Section 6 are irregular sections.** 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 establish drilling and spacing units of the approximate size and configuration as described in paragraph 2. The Commission should amend 510-18 which created 320-acre drilling and spacing units to reflect the units in the acreage as set forth in Paragraph 2. In the alternative, the Commission should vacate 510-18 as to the creation of the 320-acre drilling and spacing units.

7. Applicant requests that the 10 acre well density as previously established remain on the Application Lands upon creating the requested drilling and spacing units.

8. There have been a number of applications for permits to drill filed within the Application Lands by Applicant, but no permits have been issued or wells drilled. There has been no designation of a laydown unit or standup unit in the Application Lands as no well as been drilled.

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

10. That the above-proposed drilling and spacing units rules will allow more efficient drainage of the Williams Fork Formation 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 reservoirs.

11. 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.

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<sup>1</sup>While the Order does not so state, the Application underlying Order 510-18, stated that the 320-acre drilling and spacing unit was established at the option of the operator to designate, as of the first well drilled in each drilling and spacing unit, whether each unit is a "standup" unit (E/2 and W/2) or a laydown unit (N/2 and S/2).

Dated this 11<sup>th</sup> day of December, 2007.

Respectfully submitted,

BERRY PETROLEUM COMPANY

By: \_\_\_\_\_  
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Susan L. Aldridge  
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950 17th Street, Suite 2400  
Denver, CO 80202

VERIFICATION

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

Mary Ann Adams, Senior Landman – Rocky Mountain and Mid-Continent of Berry Petroleum Company, upon oath deposes and says that she has read the foregoing Application and that the statements contained therein are true to the best of her knowledge, information and belief.

BERRY PETROLEUM COMPANY

By: \_\_\_\_\_  
Mary Ann Adams, Senior Landman

Subscribed and sworn to before me this \_\_\_\_ day of November, 2007, by Mary Ann Adams, Senior Landman – Rocky Mountain and Mid-Continent of Berry Petroleum Company.

Witness my hand and official seal. My commission expires: \_\_\_\_\_

\_\_\_\_\_  
Notary Public

EXHIBIT A

INTERESTED PARTIES

BLM – Glenwood Springs, CO  
2425 S. Grand Avenue, Suite 101  
Glenwood Springs, CO 81601

Marathon Oil Company  
Attn: Peggy Gilbert  
5555 San Felipe  
Room 1453  
Houston, TX 77056

Williams Production RMT Company  
Attn: Jim Schaff  
1515 Arapahoe Street, Tower 3, Suite 1000  
Denver, CO 80202

EnCana Oil & Gas (USA) Inc.  
Attn: Kirsten Orahood  
370 17<sup>th</sup> Street, Suite 1700  
Denver CO 80202

Courtesy copy:

Chevron USA Inc.  
Kevin Goldstein  
11111 S. Wilcrest  
Room N-1045  
Houston, TX 77099

Judith H. Jordan  
Garfield County  
144 E. 3rd St. Suite 203  
Rifle, CO 81650

**Petroleum Development Corporation**  
**Attn: Tyson Johnston**  
**1775 Sherman Street, Suite 3000**  
**Denver, Colorado 80202**