

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

IN THE MATTER OF THE APPLICATION OF )  
ENCANA OIL & GAS (USA) INC. FOR AN )  
ORDER POOLING ALL NONCONSENTING )  
INTERESTS IN THE J SAND, CODELL, AND )  
NIOBRARA FORMATIONS IN AN )  
ESTABLISHED DRILLING AND SPACING )  
UNIT LOCATED IN THE WATTENBERG )  
FIELD, WELD AND BROOMFIELD COUNTIES, )  
COLORADO )

Cause No. \_\_\_\_\_

Docket No.

APPLICATION

COMES NOW EnCana Oil & Gas (USA) Inc. (referred to herein as “Applicant”), by and through its undersigned counsel, and makes application to the Oil and Gas Conservation Commission of the State of Colorado (“COGCC”), for an order designating a drilling and spacing unit and to pool all non-consenting interests for the drilling of the well in an approximate 160-acre drilling and spacing unit a in the J Sand, Codell, and Niobrara Formations in the lands more particularly described in Paragraph 2 below located in Township 1 North, Range 68 West, 6<sup>th</sup> P.M., Weld and Broomfield 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 leasehold interests in the drilling and spacing unit requested for pooling.

Township 1 North, Range 68 West, 6<sup>th</sup> P.M.  
Section 34: SE/4NW/4, SW/4NE/4, NE/4SW/4, NW/4SE/4

Weld and Broomfield Counties, Colorado

(“Application Lands”)

- 3. These lands are also subject to the provisions of Rule 318A(e) of the Rules and Regulations of this Commission which authorizes leaseline 160-acre drilling and spacing units as established pursuant to the terms and conditions set forth therein.
- 4. The Application Lands are also subject to Commission Orders Nos. 232-23, 232-89 and 407-66. Order No. 232-23 established 160-acre drilling and spacing units for the production of gas and associated hydrocarbons from the “J” Sand.
- 5. The attached Well Proposal Plat, Exhibit A, describes the spacing unit Applicant wishes to designate and for purposes of force pooling the proposed wells.
- 6. Applicant proposes to drill the following well within the 160-acre drilling and spacing unit described in paragraph 2 above (Section 34: SE/4NW/4, SW/4NE/4, NE/4SW/4, NW/4SE/4) and as reflected on the Well Proposal Plat:

<u>Well Names</u>	<u>Surface Location</u>	<u>Bottomhole Location</u>
Bickler 4-4-34	2426’ FSL & 2427’ FWL	2625’ FSL & 2590’ FWL

This proposed surface location and bottomhole location are reflected on the approved APD attached hereto as Exhibit B.

- 7. 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.
- 8. Moreover, that with respect to any non-consenting owners of unleased mineral interests listed on Exhibit D, 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. A copy of the form of the letter sent to the unleased interest owners is attached hereto as Exhibit C.

9. 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 D should be pooled in the J Sand, Codell, and Niobrara Formations in accordance with C.R.S. § 34-60-116 and Rule 530 of the COGCC.

10. That the names and addresses of the interested parties with respect to this Application are as set forth in Exhibit D hereto 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 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 7 and 8 be pooled involuntarily with respect to the J Sand, Codell, and Niobrara Formation wells, 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 \_\_\_\_ day of April, 2008.

Respectfully submitted,

ENCANA OIL & GAS (USA) INC.

By:

\_\_\_\_\_  
Michael J. Wozniak  
BEATTY & WOZNIAK, P.C.  
216 16<sup>th</sup> Street, Suite 1100  
Denver, CO 80202  
(303) 407-4499

Applicants' Address:

370 17<sup>th</sup> Street, Suite 1700  
Denver, CO 80202

## VERIFICATION

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

Drew E. Neagle, Land Negotiator of EnCana Oil & Gas (USA) Inc., upon oath deposes and says that he has read the foregoing Application and that the statements contained therein are true to the best of his knowledge, information and belief.

ENCANA OIL &amp; GAS (USA) INC.

By: \_\_\_\_\_  
Drew E. Neagle, Land Negotiator

Subscribed and sworn to before me this \_\_\_\_\_ day of April, 2008, by Drew E. Neagle, Land Negotiator of EnCana Oil & Gas (USA) Inc.

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

Notary Public

**EXHIBIT D**

**Interested Parties**

Clayton C. Struble and Sherri R. Struble, Trustees of the Struble Living Trust 3310 Johnson Lane Erie, CO 80516	Leased	Viola Lara 1836 Winchester Drive Manteca, CA 95336	Leased
Wendell D. Stahl 1965 E. 135 Way Thornton, CO 80241	Leased	Nancy Loghry 1798 Holly Oak Ct Manteca, CA 95336	Leased
Scott A. Rairden and Beverly A. Rairden, JTs 3410 Johnson Lane Erie, CO 80516	Leased	Betty Jean Cosslett Gilkenson 16008 NE 26 St. Bellevue, WA 98008	Unleased**
Phyllis B. York P.O. Box 540 Firestone, CO 80205	Leased	Brett E. Wilcox 2727 NW Westover Road Portland, OR 97210	Consenting
Randolph C. Tappan 1470 FM Road 839 Reklaw, TX 75784	Unleased	E.O.G. Oil Company P.O. Box 668 Niwot, CO 80544	Non- consenting
Mary P. Fountain Address Unknown	Leased	Northlands Colorado, LLC c/o David Goldberg Alberta Development Corp. 5460 South Quebec St., Suite 100 Greenwood Village, CO 80111	Unleased
Holly Ann Morphey 3260 Johnson Lane Erie, CO 80516	Leased		
Susan Socolofsky Hyde 3236 Lowell Lane Erie, CO 80516	Leased		
Huron and I-25 Land, LLC 165 S. Union Boulevard Lakewood, CO 80288 Attn: Hank Brumley	Leased		
Farmers Reservoir and Irrigation Company 80 S. 27 Avenue Brighton, CO 80601	Leased		
June Ann Pease 34750 Church Road Warren, OR 97053	Leased		
	Leased		
Raymond J. Armstrong P.O. Box 1599 Mansfield, LA 71052 or 701 E. Lassen Space 134 Cchico, CA 95973	Leased		
Beverly J. Collins 2764 S. Golden Way Denver, CO 80227	Leased		
Roberta A. Hensley 985 California Street P.O. Box 454 Rodeo, CA 94572	Leased		