

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

IN THE MATTER OF THE APPLICATION OF LARAMIE ENERGY II, LLC FOR AN ORDER OF THE COMMISSION ALLOWING TEN ACRE DENSITY DRILLING FOR THE WILLIAMS FORK FORMATION AND ILES FORMATION OF THE MESAVERDE GROUP UNDERLYING CERTAIN DESCRIBED LANDS IN TOWNSHIP 7 SOUTH, RANGE 93 WEST AND IN TOWNSHIP 7 SOUTH, RANGE 94 WEST, IN THE RULISON FIELD AREA, GARFIELD COUNTY, COLORADO

CAUSE NO:

DOCKET NO: _____

APPLICATION

COMES NOW, Laramie Energy II, LLC ("Applicant"), by its attorneys, Fulbright & Jaworski L.L.P., and makes application to the Oil and Gas Conservation Commission of the State of Colorado for an order establishing well location and setback rules applicable to the drilling and producing of wells from the Williams Fork Formation and Iles Formation of the Mesaverde Group underlying certain described lands in the Rulison Field area, Garfield County, Colorado and in support of its application states and alleges as follows:

1. That Applicant is a limited liability company duly authorized to conduct business in the State of Colorado.

2. That Applicant owns oil and gas leases covering a substantial portion of the following described lands (hereinafter "Application Lands"):

Township 7 South, Range 93 West, 6th P.M. Section 19, Lot 1 and 2;

Township 7 South, Range 94 West, 6th P.M. Section 24, Homestead Entry Survey No. 309, being the parcel described more particularly as beginning at Corner No. 1, identical with the Northwest corner of Section 19, Township 7 South, Range 93 West, 6th P.M. ; thence South 41' East 34.62 chains to Corner No. 2; thence North 85° 11' West 20.43 chains to Corner No. 3; thence North 18° 22' West 14.50 chains to Corner No. 4; thence North 23' West 19.15 chains to Corner No. 5; thence East 24.63 chains to Corner No. 1, the place of beginning.

3. That the Application Lands are unspaced and subject to the Commission's Rule 318 (formerly Rule 316).

4. That multiple wells have been drilled, tested and completed in the Williams Fork Formation in the vicinity of the application Lands and some wells also have been drilled to the Iles Formation in the general area of the Application Lands.

5. That to promote efficient drainage within the Williams Fork Formation and Iles Formation of the Mesaverde Group, the Commission should increase the number of wells which can be optionally drilled into and produced from the Williams Fork Formation and Iles Formation of the Application Lands to the equivalent of one well per ten (10) acres.

6. That as to Application Lands, the Commission should allow all future Williams Fork Formation and Iles Formation wells drilled thereon to be located downhole anywhere upon such lands but no closer than 100 feet from the outside boundary of the Application Lands unless such 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 10-acre density wells for the Williams Fork Formation in which event the Williams Fork Formation and Iles Formation wells to be drilled upon the Application Lands should be drilled downhole no closer than 200 feet from that portion of the boundary 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.

7. That, except as previously authorized by order of the Commission, 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 (or lots or parcels approximately equivalent thereto) unless exception is granted by the Colorado Oil and Gas Conservation Commission pursuant to application made for such exception.

8. That all wells drilled to the Iles Formation will be drilled only in connection with the drilling of Williams Fork Formation wells.

9. The granting of this application will not promote waste; will not violate 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.

WHEREFORE, Applicant respectfully requests that this matter be set for hearing in June, 2008, 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 21st day of April, 2008.

Respectfully submitted:

Laramie Energy II, LLC

By:

William A. Keefe
Fulbright & Jaworski L.L.P.
370 17th Street, Suite 2150
Denver, Colorado 80202
Telephone No.: (303) 801-2700
Facsimile No.: (303) 801-2777

Applicant's Address

Laramie Energy II, LLC
1512 Larimer Street, Suite 1000
Denver, CO 80202

VERIFICATION

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

Mark R. Petry, of lawful age, being first duly sworn upon oath, deposes and says that he is the Director of Business Development and Land Administration for Laramie Energy II, LLC 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.

By: _____
Mark R. Petry

Subscribed and sworn to before me this _____ day of April, 2008.

Witness my hand and official seal.

Notary Public

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IN THE MATTER OF THE APPLICATION OF LARAMIE
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ALLOWING TEN ACRE DENSITY DRILLING FOR THE
WILLIAMS FORK FORMATION AND ILES FORMATION OF
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DESCRIBED LANDS IN TOWNSHIP 7 SOUTH, RANGE 93
WEST AND IN TOWNSHIP 7 SOUTH, RANGE 94 WEST, IN
THE RULISON FIELD AREA, GARFIELD COUNTY,
COLORADO

CAUSE NO:

DOCKET NO: _____

AFFIDAVIT OF MAILING

STATE OF COLORADO)
)
) SS.
COUNTY OF DENVER)

William A. Keefe, of lawful age, and being first duly sworn upon his oath, states and declares:

That he is the attorney for Laramie Energy II, LLC, that on April 21, 2008, he caused a copy of the attached Application in the subject docket to be deposited in the United States Mail, postage prepaid, addressed to the parties listed on Exhibit A to the Application.

By: William A. Keefe

Subscribed and sworn to before me this 21st day of April, 2008.

Witness my hand and official seal.

Notary Public

EXHIBIT A

Noble Energy, Inc.
100 Glenborough Drive, Suite 100
Houston, TX 77067-3610

Bureau of Land Management
2850 Youngfield Street
Lakewood, CO 80215
attn: Karen Zurek

Williams Production RMT Company
Tower 3, Suite 1000
1515 Arapahoe Street
Denver, CO 80202

Encana Oil & Gas(USA)INC.
370 17th ST., Suite 1700
Denver, CO 80202

Laramie Energy II, LLC
1512 Larimer Street, Suite 1000
Denver, CO 80202
Attn: Mark Petry

Laramie Energy II, LLC
601 28-1/4 Road, Suite D
Grand Junction, CO 81506
attn: T. Rutledge

Yates Petroleum Corporation
Yates Drilling Company
ABO Petroleum Corporation
Myco Industries, Inc.
105 South 4th Street
Artesia, New Mexico 88210

Denver Seminary
P.O. Box 10,000
Denver, CO 802500-0100

George R. Bauer and Deanna J. Bauer
12 Sunrise Boulevard
Silt, CO 8162-9783

Gordman Leverich Limited Liability
Partnership
1005 Waters Avenue
Aspen, CO 81611

Stephen W. Weller and Toni L. Weller
415 Bayou Cove Court
Houston, TX 77042

Piceance Royalty Partners, LLC
P.O. Box 36157
Denver, CO 80236

Freeman Investments
3415 S. Clayton Blvd.
Englewood, CO 80113-7611

JLW Investment, LLC
2432 W. 82nd Pl., Suite I
Westminster, CO 80031

Cypress Land Acquisition, LLC
2432 W. 82nd Pl., Suite I
Westminster, CO 80031

WYOTEX Oil Company
P.O. Box 36157
Denver, CO 80236

Cypress Land Acquisition, LLC
2432 W. 82nd Pl., Suite I
Westminster, CO 80031

Huckleberry Minerals, LLC
15250 Emporia St.
Brighton, CO 80602

B. Kole Killion
1460 Little Raven St. No. 2-116
Denver, CO 80202

Daniel P. Flanigan and Ann B. F. Flanigan
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Charles F. Weller and Eva Charlene Weller
5331 Fenwick Way Ct.
Sugar Land, TX 77479

Ann B. F. Flanigan
as Custodian for Ellen S. Freeman
under the Colorado UTMA
3415 S. Clayton Blvd.
Englewood, CO 80113-7611

Laura S. Freeman
3415 S. Clayton Blvd.
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Ann B. F. Flanigan
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under the Colorado UTMA
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Judith H. Jordan
Garfield County
144 /e, 3rd Street, Suite 203
Rifle, CO 81650

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