

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

IN THE MATTER OF THE APPLICATION OF)
PLATEAU ENERGY PARTNERS, LLC FOR AN)
ORDER ESTABLISHING SPACING AND WELL)
LOCATION RULES FOR THE WILLIAMS FORK)
FORMATION OF THE MESAVERDE GROUP) Cause No. 166
FOR CERTAIN DESCRIBED LANDS IN THE) Docket No. _____
PLATEAU FIELD AREA, MESA COUNTY,)
COLORADO)

APPLICATION

Plateau Energy Partners, LLC (“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 spacing and 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 the Plateau Field area, Mesa County, Colorado and in support of its Application states and alleges as follows:

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

2. Applicant owns leasehold interests in the following described lands:

Township 9 South, Range 95 West, 6th P.M.
Section 35: SE/4

Township 10 South, Range 95 West, 6th P.M.
Section 1: W/2, SW/4SE/4
Section 2: E/2E/2, NW/4NE/4, SW/4SE/4
Section 11: E/2E/2, SW/4NE/4
Section 12: NW/4, E/2SW/4, SE/4, W/2NE/4

Mesa County, Colorado.

(hereafter the “Application Lands”).

3. The Application Lands situated in T10S, R95W, Sections 2, 11 and 12 are subject to Order No. 166-15, which established approximate 160-acre drilling and spacing units for the Mesaverde Formation with one (1) well authorized within said drilling and spacing units.

4. In addition, the Application Lands situated in T9S, R95W, Section 35 and T10S, R95W, Section 1 are subject to Order No. 166-23 which established approximate 160-acre drilling and spacing units for the Mesaverde Formation and authorizing 10-acre well density.

5. Through this Application, the Applicant requests to vacate the 160-acre drilling and spacing units as to the Application Lands and establish approximately 40-acre drilling and spacing units for the Application Lands for the production of gas and associated hydrocarbons from the Williams Fork Formation. The specific approximate 40-acre drilling and spacing units are identified on Exhibit B attached hereto. Additionally, Applicant requests the effective well density be the equivalent of one well per 10 acres for the Williams Fork Formation (as has previously been established by Order 166-23), and that the setback requirements be 100 feet from the boundaries of the drilling and spacing unit when the application lands corner or abut lands approved for 10 acre density and 200 feet from any unit or lease line where the Commission has not yet approved 10 acre density, absent an exception from the Commission. Such 40-acre drilling and spacing units are not smaller than the maximum area that can be economically and efficiently drained by four wells.

6. There is no current Williams Fork production on the Application Lands. Therefore, vacation of existing Orders will have no adverse effect on the equities of any cost bearing or non-cost bearing interests.

7. That multiple wells in the Williams Fork Formation of the Mesaverde Group have been drilled, tested and completed upon the lands nearby to Application Lands.

8. That to promote efficient drainage within the Williams Fork Formation of the Mesaverde Group of the Application Lands, the Commission should apply consistent rules to the Application Lands and modify the number of wells which can be optionally drilled into and produced from the Williams Fork Formation of the Application Lands which constitute existing drilling units (or portions thereof) to the equivalent of one well per 10 acres.

9. Applicant commits that 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 unless exception is granted by the Director of the Colorado Oil and Gas Conservation Commission.

10. That the above-proposed spacing units, density and well location 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.

Dated this 21st day of April, 2008.

Respectfully submitted,

PLATEAU ENERGY PARTNERS, LLC

By: _____
Michael J. Wozniak
Beatty & Wozniak, P.C.
Attorneys for Applicant
216 16th Street, Suite 1100
Denver, Colorado 80202
(303) 407-4499

Applicant's Address:
887 25 Road
Grand Junction, CO 81505-8605

VERIFICATION

STATE OF COLORADO)
) ss.
COUNTY OF _____)

Randy Walck, Managing Partner of Plateau Energy Partners, LLC, 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.

PLATEAU ENERGY PARTNERS, LLC

By: _____
Randy Walck, Managing Partner

Subscribed and sworn to before me this ____ day of _____, 2008, by Randy Walck,
Managing Partner of Plateau Energy Partners, LLC.

Witness my hand and official seal. My commission expires:_____

Notary Public

EXHIBIT A

INTERESTED PARTIES

PXP Piceance, LLC
1021 Man Street, Suite 2100
Houston, TX 77002

EnCana Oil & Gas (USA), Inc.
370 17th St., Suite 1700
Denver, CO 80202

Black Hills Plateau Production, LLC
350 Indiana St., Suite 400
Golden, CO 80401

Randy Price
Mesa County Planning &
Eco. Development
750 Main Street
P.O. Box 20000
Grand Junction, CO 81501

EXHIBIT B

PROPOSED 40-ACRE DRILLING AND SPACING UNITS

(The Application Lands located in Section 35 and Section 1 are within 160-acre drilling and spacing units for which 10-acre density has previously been approved. The remaining lands are within 160-acre drilling and spacing units for which density is sought to be increased to 10 acres.)

Township 9 South, Range 95 West, 6th P.M.

Section 35: NW/4SE/4, NE/4SE/4, SW/4SE/4 and SE/4SE/4

Township 10 South, Range 95 West, 6th PM

Section 1: NE/4NE/4, NW/4NE/4, SW/4NE/4, SE/4NE/4, NE/4SW/4, NW/4SW/4, SW/4SW/4, SE/4SW/4, SW/4SE/4

Section 2: NW/4NE/4, NE/4NE/4, SE/4NE/4, NE/4SE/4, SE/4SE/4, SW/4SE/4

Section 11: NE/4NE/4, SE/4NE/4, SW/4NE/4, NE/4SE/4, SE/4SE/4

Section 12: NW/4NW/4, NE/4NW/4, SW/4NW/4, SE/4NW/4, NE/4SW/4, SE/4NW/4, NW/4NE/4, SW/4NE/4, NW/4SE/4, NE/4SE/4, SW/4SE/4, SE/4SE/4