

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

|                                     |   |                  |
|-------------------------------------|---|------------------|
| IN THE MATTER OF THE APPLICATION OF | ) |                  |
| WILLIAMS PRODUCTION RMT COMPANY     | ) |                  |
| FOR AN ORDER ESTABLISHING DRILLING  | ) | Cause No. _____  |
| AND SPACING UNITS AND WELL          | ) |                  |
| LOCATION RULES FOR THE WASATCH      | ) | Docket No. _____ |
| FORMATION FOR CERTAIN DESCRIBED     | ) |                  |
| LANDS IN GARFIELD COUNTY, COLORADO  | ) |                  |

APPLICATION

Williams Production RMT 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 four drilling and spacing units and confirming existing well location rules applicable to the drilling and producing of wells from the Wasatch Formation 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 7 South, Range 95 West, 6<sup>th</sup> P.M.  
Section 12: All

Garfield County, Colorado.

(hereafter the “Application Lands”).

3. The Wasatch Formation underlying the Application Lands is unspaced and is subject to Commission’s Rule 318.a.

4. Section 12, T7S, R95W is an irregular section. To promote efficient drainage within the Wasatch Formation of the Application Lands, to protect correlative rights and to avoid waste, the Commission should establish four (4) approximately 160-acre drilling and spacing units of the size and configuration as follows:

Township 7 South, Range 95 West, 6<sup>th</sup> P.M.  
Section 12: NE/4 (approximately 165.76 acres)  
Section 12: NW/4 (approximately 162.87 acres)  
Section 12: SW/4 (approximately 162.77 acres)  
Section 12: SE/4 (approximately 165.83 acres)

5. That Applicant has drilled, tested and completed wells in the Wasatch Formation upon the lands nearby to Application Lands. Applicant asserts that 160 acres is not smaller than the maximum area that can be efficiently and economically drained by one Wasatch Formation well.

6. That Applicant requests that each Wasatch Formation well may be located anywhere in the drilling and spacing unit provided that it shall be drilled from a common surface location pad with Applicant’s Williams Fork Formation operations within each drilling and spacing unit. The bottomhole of each Wasatch Formation well shall be no closer than 600’ from the drilling and spacing unit boundaries.

7. That the above-proposed drilling and spacing units rules will allow more efficient drainage of the Watash Formation; 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.

8. 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 \_\_\_\_ day of April, 2008.

Respectfully submitted,

WILLIAMS PRODUCTION RMT COMPANY

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

Applicant's Address:  
1515 Arapahoe St., Tower 3, Suite 1000  
Denver, CO 80202

VERIFICATION

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

Christopher M. Walsh, Senior Landman of Williams Production RMT Company, 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.

WILLIAMS PRODUCTION RMT COMPANY

By: \_\_\_\_\_  
Christopher M. Walsh, Senior Landman

Subscribed and sworn to before me this \_\_\_\_ day of April, 2008, by Christopher M. Walsh, Senior Landman of Williams Production RMT Company.

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

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

EXHIBIT A

INTERESTED PARTIES

Williams Production RMT Company  
Christopher M. Walsh, Senior Staff Landman  
1515 Arapahoe St., Tower 3, Suite 1000  
Denver CO 80202

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

Board of County Commissioners  
Garfield County, Colorado  
Attn: John Martin, Chair  
108 8th Street, Suite 213  
Glenwood Springs, CO 81601

Bureau of Land Management  
Attn: Duane Spencer  
2850 Youngfield Street  
Lakewood, CO 80215

Bureau of Land Management  
Attn: Hank Szymanski  
2850 Youngfield Street  
Lakewood, CO 80215

Judith H. Jordan  
Garfield County  
144 E. 3rd Street  
Rifle, CO 81650

Yates Petroleum Corporation  
Yates Drilling Company  
ABO Petroleum Corporation  
MYCO Industries, Inc.  
Attn: Kathy Porter  
105 S. Fourth St.  
Artesia, NM 88210

Antero Resources Corporation  
Attn: William Pierini  
1625 17th St. Ste 300  
Denver, CO 80202

Noble Energy, Inc.  
Attn: Robin Hill-Richardson  
1625 Broadway, Suite 2000  
Denver, Colorado 80202

Merrion Oil and Gas Corporation  
Attn: George Sharpe  
610 Reilly Avenue  
Farmington, NM 87401