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

IN THE MATTER OF THE APPLICATION OF OXY USA WTP LP FOR AN ORDER ESTABLISHING WELL LOCATION AND SETBACK RULES FOR THE DRILLING OF WILLIAMS FORK FORMATION WELLS ON CERTAIN DESCRIBED LANDS IN THE GRAND VALLEY FIELD AREA, GARFIELD COUNTY, COLORADO

CAUSE NO.

DOCKET NO.

APPLICATION

COMES NOW OXY USA WTP LP ("Applicant"), a Texas limited partnership, by its attorneys, Poulson, Odell and Peterson, LLC, 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 of the Mesaverde Group underlying certain described lands in the Grand Valley Field area, Garfield County, Colorado and in support of its application states and alleges as follows:

- 1. That Applicant is a limited partnership duly authorized to conduct business in the State of Colorado.
- 2. That Applicant owns the oil and gas mineral estate and/or leasehold interests in the following described lands (hereinafter "Application Lands"):

Township 6 South Range 97 West

Section 19: E/2W/2NW/4

Township 7 South Range 97 West

Section 8: The E/2 of Tract 39 and 1.26 acres out of the NW corner of Tract 39

Section 17: Tract 89

Section 18: Tracts 89 and 91 Section 21: Lots 112B and 112C

Section 22: Tract 112B

Section 26: Tracts 121C and 121B

- 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 of the Mesaverde Group upon lands in close proximity to the Application lands.
- 5. That to promote efficient drainage within the Williams Fork 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 of the Application Lands to the equivalent of one Williams Fork well per ten (10) acres.

- 6. That as to the Application Lands, the Commission should allow all future Williams Fork 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 (see attached plat) 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 in which event the Williams Fork 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 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 unless exception is granted by the Director of the Colorado Oil and Gas Conservation Commission pursuant to application made for such exception.
- 8. 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.
- 9. 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 March, 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: January____, 2008.

POULSON, ODELL AND PETERSON, LLC

By:_____

William A. Keefe 1775 Sherman Street, Suite 1400 Denver, Colorado 80203

Phone: 303-861-4400

STATE OF TEXAS	
COUNTY OF HARRIS	SS.
that she is the Regulatory Advisor for C	age, being first duly sworn upon oath, deposes and says DXY USA WTP LP and that she has read the foregoing ein contained are true to the best of her knowledge,
Ī	Donna G Havins
Subscribed and sworn to be	efore me this day of January, 2008.
Witness my hand and officia	al seal.
My commission expires:	
,	Natan Dublia
l	Notary Public

EXHIBIT A

ADELE RICHSTREW 860 ALA MOANA BLVD., #1302 HONOLULU, HI 96815

AUGUST P. ETCHEVERRY AND RENNIA M. ETCHEVERRY 680 RIO DEL MAR BLVD. APTOS, CA 95003

BUREAU OF LAND MANAGEMENT P.O. BOX 1009 GLENWOOD SPRINGS, CO 81602-1009

BUREAU OF LAND MANAGEMENT 2815 H ROAD GRAND JUNCTION, CO 81506

CHEVRON USA INC. C/O CHEVRON TEXACO PROPERTY TAX P.O. BOX 285 HOUSTON, TX 77001

DANIEL W. STROOCK 55 FROST STREET CAMBRIDGE, MA 92140

EDWARD N. JUHAN 7675 W 14th AVE., STE 202 LAKEWOOD, CO 80214

FEDERAL OIL SHALE LLC 3520 S. GLENCOE ST. DENVER, CO 80237

FRED ETCHEVERRY 8621 BEECHCRAFT DR. RENO, NV 89506

HUNTER FAMILY LTD PARTNERSHIP P.O. BOX 6728 HELENA, MT 59604 PAUL ETCHEVERRY P.O. BOX 371 DEBEQUE, CO 81630

RAYMOND ETCHEVERRY AND ORIEN ETCHEVERRY, AS TRUSTEES OF THE RAYMOND AND ORIEN ETCHEVERRY FAMILY TRUST DATED 5/23/90 3102 WEST ALPINE STOCKTON, CA 91342

RODERICK B. POTTER 14337 N COPPERSTONE Dr. ORO VALLEY, AZ 85755

ROLAND ETCHEVERRY 540 WEDGE LANE FERNLEY, NV 89408

SAVAGE LIMITED PARTNERSHIP 1 5953 COUNTY ROAD 320 RIFLE, CO 81650

SHELL OIL COMPANY P.O. BOX 576, HOUSTON, TEXAS 77001

SUE STUART MORTIMORE ERPH VANDE BOVENKAMP c/o LOEB PARTNERS 41 WALL STREET NEW YORK, NY 10005

ENCANA OIL AND GAS (USA) INC. 370 17th ST. #1700 DENVER, CO 80202

LARAMIE ENERGY LLC 730 17th ST. STE 405 DENVER, CO 80202

PLAINS EXPLORATION & PRODUCTION COMPANY 607 28 1/2 ROAD, SUITE 105 GRAND JUNCTION, CO 81506 JEANNE HILL 1304 LORIMER ROAD RALEIGH, NC 27606

JOAN L. SAVAGE 5953 COUNTY ROAD 320 RIFLE, CO 81650

JOHN ETCHEVERRY 1180 PINE VISTA LANE COLFAX, CA 95713

JRMD, LLC P.O. BOX 1926 RIFLE, CO 81650-1926

JUHAN LTD PARTNERSHIP 2440 N COYOTE DR., STE 121 TUCSON, AZ 85745

MARY EDITH LOGAN ESTATE 1311 W. RIVERSIDE CARLSBAD, NEW MEXICO 88220

OPAL C. LATHAM PO BOX 127 DEBEQUE, CO 81630-0127

PATRICIA P. COYNE 2 VISTA CLIFF PLACE, APT. 221 RICHARDSON, TX 75080

PATRICIA DUNN 625 SIERRA COURT GRAND JUNCTION, CO 81501

JUDITH H. JORDAN GARFIELD COUNTY 144 E. 3RD ST., SUITE 203 RIFLE, CO 81650 JOAN L. SAVAGE 5953 COUNTY ROAD 320 RIFLE, CO 81650

THOMAS ETCHEVERRY P.O. BOX 44 DEBEQUE, CO 81630

THE GEORGE M. ANDERSON TRUST, c/o GEORGE M. ANDERSON TRUSTEE P.O. BOX 37 DEBEQUE, CO 81630

WILLIAMS PRODUCTION RMT CO 1515 ARAPAHOE ST., TWR 3, STE1000 DENVER, CO 80202

PUCKETT LAND COMPANY 5460 S QUEBEC ST STE 250 GREENWOOD VLG, CO 80111-1917

MARATHON OIL COMPANY 5555 SAN FELIPE ROAD HOUSTON, TX 77056

SHELL FRONTIER OIL AND GAS INC. C/O SHELL OIL COMPANY P.O. BOX 301445 HOUSTON, TX 77054

WILLIAM A. KEEFE POULSON, ODELL & PETERSON, LLC 1775 SHERMAN ST., SUITE 1400 DENVER, CO 80203

DONNA G. HAVINS OCCIDENTAL OIL AND GAS 5 GREENWAY PLAZA, SUITE 110 P.O. BOX 27757 HOUSTON, TX 77027-7757

DAVID BAKER (DECEASED-UNKNOWN ADDRESS)

OIL AND GAS CONSERVATION COMMISSION OF THE STATE OF COLORADO

IN THE MATTER OF THE APPLICATION OF OXY USA WTP LP FOR AN ORDER ESTABLISHING WELL LOCATION AND SETBACK RULES FOR THE DRILLING OF WILLIAMS FORK FORMATION WELLS ON CERTAIN DESCRIBED LANDS IN THE GRAND VALLEY FIELD AREA, GARFIELD COUNTY, COLORADO	CAUSE NO. DOCKET NO.		
AFFIDAVIT OF MAILING			
STATE OF COLORADO)			
) ss. CITY AND 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 OXY USA WTP LP, that on January, 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.			
William A. Keefe			
Subscribed and sworn to before me on January, 2008.			
Witness my hand and official seal.			
My commission expires: July 22, 2011.			
Notary Publi	<u> </u>		