

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 SPACING, WELL
DENSITY AND LOCATION RULES FOR THE
WILLIAMS FORK FORMATION OF THE
MESAVERDE GROUP FOR CERTAIN
DESCRIBED LANDS IN SOUTH GRAND
VALLEY FIELD AREA, GARFIELD COUNTY,
COLORADO

CAUSE NO. 510

DOCKET NO.

APPLICATION

COMES NOW Williams Production RMT Company ("Applicant"), a Delaware corporation, by its attorneys, Beatty & Wozniak, P.C., and makes application to the Oil and Gas Conservation Commission of the State of Colorado for an order establishing spacing, well density and 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 South Grand Valley Field area in Garfield County and in support of its application states and alleges as follows:

1. That Applicant is a corporation duly authorized to conduct business in the State of Colorado.
2. That Applicant owns a leasehold interest in all or a substantial portion of following described lands:

Township 7 South, Range 96 West, 6th P.M.

Section 31: SE/4SE/4 – approximate 40 acre spacing

Section 32: E/2NE/4 – approximate 80 acre spacing

Section 32: W/2NE/4 – approximate 80 acre spacing

Section 32: E/2SE/4 – approximate 80 acre spacing

Section 32: NW/4SE/4 – approximate 40 acre spacing

Section 32: SW/4SE/4 – approximate 40 acre spacing

Section 32: SE/4NW/4 – approximate 40 acre spacing

Section 32: NE/4SW/4 – approximate 40 acre spacing

Section 32: SE/4SW/4 – approximate 40 acre spacing

Section 32: SW/4SW/4 – approximate 40 acre spacing

Section 33: N/2NW/4 – approximate 80 acre spacing

Section 33: S/2NW/4 – approximate 80 acre spacing

Section 33: N/2SW/4 (aka NW/4SW/4 and Lot 3) – approximate 80 acre spacing

Section 33: SW/4SW/4 (aka part of Lot 9)– approximate 40 acre spacing

Section 33: N/2NE/4 – approximate 80 acre spacing

Section 33: S/2NE/4 (aka Lots 1 and 2) – approximate 80 acre spacing

(hereinafter "Application Lands")

3. That, as to the Williams Fork Formation, the Application Lands are unspaced but subject to the Commission's Order 510-1 which establishes setback requirements applicable to the drilling of Williams Fork wells.

4. That Applicant and others have drilled, tested and completed various wells in the Williams Fork Formation of the Mesaverde Group upon lands in the vicinity of the Application Lands.

5. That Applicant desires to establish drilling and spacing units for the production of gas and associated hydrocarbons from the Williams Fork Formation, such drilling and spacing units being set forth in paragraph 2 above.

6. That to promote efficient drainage within the Williams Fork Formation of the Mesaverde Group of the Application Lands, the Commission should increase the number of wells which can be optionally drilled into and produced from the Williams Fork Formation of each drilling unit proposed above to the equivalent of one Williams Fork well per 10 acres.

7. That Williams Fork Formation wells should be located downhole anywhere within a given drilling unit but no closer than 100 feet from the boundary or boundaries of the unit provided however that in cases where a unit abuts or corners lands in respect of which the Commission has not at the time of drilling permit application granted the right to drill 10 acre density Williams Fork Formation wells, the well should be located downhole within that unit no closer than 200 feet from the boundary or boundaries of such drilling unit so abutting or cornering such lands without exception being granted by the Director of the Oil and Gas Conservation Commission.

8. That the above-proposed spacing and well location rules will allow development of the Williams Fork Formation to occur; 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 January 2009; 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 November, 2008.

Beatty & Wozniak, P.C.

By: _____
William A. Keefe
216 Sixteenth Street, Suite 1100
Denver, Colorado 80202-5155
303-407-4475

VERIFICATION

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

Christopher M. Walsh, of lawful age, being first duly sworn upon oath, deposes and says that he is a Senior Landman for Williams Production RMT Company 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.

Christopher M. Walsh

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

Witness my hand and official seal.

My commission expires:_____

Notary Public

EXHIBIT A

Williams Production RMT Company
Attn: Christopher M. Walsh
1515 Arapahoe St., Tower 3, Suite 1000
Denver, CO 80202

United States Department of Interior
Bureau of Land Management
Attention: Steve Bennett
2425 S. Grand Ave, Ste 101
Glenwood Springs, CO 81601

United States Department of Interior
Bureau of Land Management
Attn: Duane Spencer
2850 Youngfield Street
Lakewood, CO 80215

United States Department of Interior
Bureau of Land Management
Attn: Hank Szymanski
2850 Youngfield Street
Lakewood, CO 80215

United States Department of Interior
Bureau of Land Management
Attn: Marty O'Mara
2425 South Grand Ave., Suite 101
Glenwood Springs, CO 81601

Judith H. Jordan
Garfield County
0375 County Road 352, Bldg 2060
Rifle, CO 81650

EnCana Oil & Gas (USA), Inc.
Attn: Rick Gallegos
370 17th Street Suite 1700
Denver, Colorado 80202

Yates Petroleum Corporation
Yates Drilling company
Myco Industries
ABO Petroleum Corporation
105 S. 4th Street
Artesia, NM 88210

Apollo Energy, LLC
1538 Wazee Street, Suite 200
Denver, Colorado 80202

Ivy Energy, Inc.
c/o Associated Resources, Inc.
Attn: Terry Vancil
403 S. Cheyenne, Suite 800
Tulsa, OK 74103-3842

Union Pacific Railroad Company
Attn: Gregg A. Larsen, Sr. Mgr. - RE
1400 Douglas Street, Stop 1690
Omaha, NE 68179-1690

Union Pacific Railroad Company
c/o Farmer's National Company
403 South Cheyenne, Suite 800
Tulsa, OK 74102-3842

Specialty Restaurants Corporation
8191 East Kaiser Blvd.
Anaheim, CA 92808

Stockton Restaurant Corporation
8191 East Kaiser Blvd.
Anaheim, CA 92808

N. P. Dodge Company, Limited
8701 Dodge Road
Omaha, NE 68114-3429

Exxon Mobil Corporation
Attn: Aaron R. Russell
396 West Greens Road
Houston, TX 77067

Getty Oil and Exploration Company
C/O Chevron North America Exploration
and Production Company
Attn: DonJuan Brown
11111 S. Wilcrest
Houston, TX 77099

Colorado Department of Transportation
Attn: Anne Feeser
15285 South Golden Road, Bldg. 47
Golden, CO 80401

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

Mary Ann Horn
11394 Samples Road
Alexander, AR 72002

George Allen Dunn
169 Highway 212 East
Dumas, AR 71639

Karen Elizabeth Cingolani
407 Crooked Bayou Drive
McGehee, AR 71654

Phillip Wayne Dunn
5320 Highway 1 West
Watson, AR 71674

Ronald Lynn Dunn
711 North 5th Street
McGehee, AR 71654

Frances Jane Harkey
10001 Fink Road
Mt. Pleasant, NC 28124

Richard Ross and Janet R. Ross
1613 Scandia
Benton, AR 72015

M. Carter Jolley, Jr.
P.O. Box 284
Glenwood Springs, CO 81602

Linda C. Mahaffey
10514 Willow Park Green
Houston, TX 77070

Gary Lee Mahaffey
4947 County Road 309
Parachute, CO 81635

Lyle Leon Mahaffey
13487 G Road
Delta, CO 81416

Catherine A. Cera and Robert O'Hara
1515 Hwy 6
Parachute, CO 81635

Steven Keinath
P.O. Box 5628
Minneapolis, MN 55440-5628

Steven W. and Sherry L. Keinath
0362 Panoramic Drive
Silt, CO 81652

Steven Keinath
215 W. 24th Street
Rifle, CO 81650

Henry H. Gordon
10858 East Berry Place
Englewood, CO 80111

Pamela Morris Cooper,
f/k/a Pamela Ann Morris
920 Meeker Street
Fort Morgan, CO 80701

Musgrave Family LLL Partnership
629 West North Street
Aspen, Colorado 81611

Fossil Creek Land Company
P.O. Box 485
Mustang, OK 73064

Map0406, an Oklahoma General
Partnership
c/o Mineral Acquisition Partners, Inc.
101 N. Robinson – Suite 1000
Oklahoma City, OK 71302-5514

Charles W. and Patty N. Brown, LLC
P.O. Box 587
Marlow, OK 73055

Aspen Leaf, LLC
P.O. Box 1488
Mustang, OK 73064

George B. Crain and Debra H. Crain
Husband and Wife, as Joint Tenants
5446 W. Stone Circle Creek Drive
Highland, UT 84003

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AFFIDAVIT OF MAILING

STATE OF COLORADO)
)
CITY AND COUNTY OF DENVER)

ss.

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

That he is the attorney for Williams Production RMT Company, that on or before November ____, 2008, he caused a copy of the attached Application 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 November ____, 2008.

Witness my hand and official seal.

My commission expires: _____.

Notary Public