

**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 AND WELL
LOCATION RULES FOR THE WILLIAMS FORK
FORMATION AND ILES FORMATION OF THE
MESAVERDE GROUP FOR CERTAIN DESCRIBED
LANDS IN THE RULISON FIELD AREA, GARFIELD
COUNTY, COLORADO

CAUSE NO. 139

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 an approximate 640-acre drilling and spacing unit applicable to the drilling and producing of wells from the Williams Fork Formation and Iles Formation of the Mesaverde Group covering 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 corporation duly authorized to conduct business in the State of Colorado.
2. That Applicant owns leasehold interests in a substantial portion of the following described lands:

Township 7 South, Range 94 West

Section 15: All

(hereinafter "Application Lands")

3. That the Application Lands were approved for ten acre density drilling for the Williams Fork Formation underlying the Application Lands pursuant to the Commission's Order 139-85 dated April 8, 2008.
4. That the Application lands should be established as an approximate 640 acre drilling and spacing unit for the production of gas and associated hydrocarbons from the Williams Fork Formation and the Iles Formation. Further, said lands should continue to be authorized for the drilling of ten (10) acre density Williams Fork Formation wells and also should be authorized for the drilling of ten (10) acre density Iles Formation Wells.
5. That as to all future Williams Fork wells to be drilled upon said drilling and spacing unit constituting the Application Lands, the wells should be located downhole anywhere in the drilling and spacing unit but no closer than 100 feet from the boundaries of the unit without exception being granted by the Director of the Oil and Gas Conservation Commission. It is provided however that in cases where the Application Lands abut or corner 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 Wells, the well should be located downhole no closer than 200 feet from the boundary or boundaries of the drilling unit so abutting or cornering such lands without exception being granted by the Director of the Oil and Gas Conservation Commission.

6. That as to all future Iles Formation wells to be drilled upon said drilling and spacing units constituting the Application Lands, the wells should be located downhole anywhere in the drilling and spacing unit but not closer than 100 feet from the boundaries of the unit without exception being granted by the Director of the Oil and Gas Conservation Commission. It is provided however that in cases where the Application Lands abut or corner 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 Formations wells, the wells should be located downhole no closer than 200 feet from the boundary or boundaries of the drilling unit so abutting or cornering such lands without exception being granted by the Director of the Oil and Gas Conservation 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 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 August, 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: June ____, 2009.

By: _____
William A. Keefe
Beatty & Wozniak, P.C.
216 Sixteenth Street-Suite 1100
Denver, Colorado 80202-5115
(ph) 303-407-4475

VERIFICATION

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

Christopher M. Walsh, of lawful age, being first duly sworn upon oath, deposes and says that he is the 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 June, 2009.

Witness my hand and official seal.

My commission expires:_____

Notary Public

EXHIBIT A

Williams Production RMT Company
Attn: Christopher M. Walsh
1515 Arapahoe Street, 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: Lindsey Spaulding
2425 South Grand Ave., Suite 101
Glenwood Springs, CO 81601

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

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

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

Noble Energy, Inc.
Attn: Robert A. Hoelsken
1625 Broadway, Suite 2200
Denver, CO 80202

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

Garfield County Board of County Commissioners
108 8th Street
Glenwood Springs, CO 81601

US Forest Service
White River National Forest
900 Grand Ave.
P.O. Box 948
Glenwood Springs CO 81602

Colorado Division of Wildlife
6060 Broadway
Denver, CO 80216

Colorado Department of
Public Health & Environment
4300 Cherry Creek Drive South
Denver, CO 80246-1530

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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 Williams Production RMT Company, that on or before June __, 2009, 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 June _____, 2009.

Witness my hand and official seal.

My commission expires: _____.

Notary Public