

**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 OF THE MESAVERDE GROUP FOR  
CERTAIN DESCRIBED LANDS IN THE GRAND  
VALLEY 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 160-acre drilling and spacing unit applicable to the drilling and producing of wells from the Williams Fork Formation of the Mesaverde Group covering 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 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 96 West

Section 33: NE/4

(hereinafter "Application Lands")

3. That the Application Lands were established as two approximate 80 acre drilling and spacing units (N/2NE/4 and S/2NE/4 respectively) and approved for ten acre density drilling for the Williams Fork Formation pursuant to the Commission's Order No. 510-47 (Corrected) dated March 5, 2009.

4. That in order to accommodate more efficient drilling plans, Applicant desires to vacate such approximate 80 acre drilling and spacing units established for the Williams Fork Formation under such order and to establish an approximate 160 acre drilling and spacing unit constituting the Application Lands for the Williams Fork Formation.

5. That as to all future Williams Fork Formation wells to be drilled upon said 160 acre 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, 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.

7. 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.

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.

WHEREFORE, Applicant respectfully requests that this matter be set for hearing in September, 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: July\_\_\_\_, 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 July, 2009.

Witness my hand and official seal.

My commission expires: \_\_\_\_\_.

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

## EXHIBIT A

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

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

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

Garfield County Board of County Commissioners  
108 8<sup>th</sup> Street  
Glenwood Springs, CO 81601

Judith H. Jordan  
Garfield County  
375 County Road 352, Bldg 2060  
Rifle, CO 81650-8412

Colorado Division of Wildlife  
6060 Broadway  
Denver, CO 80216

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

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

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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 July \_\_, 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.

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William A. Keefe

Subscribed and sworn to before me July \_\_\_\_\_, 2009.

Witness my hand and official seal.

My commission expires: \_\_\_\_\_.

Notary Public