

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

IN THE MATTER OF THE APPLICATION OF BILL
BARRETT CORPORATION FOR AN ORDER
VACATING AN EXISTING 640 ACRE DRILLING AND
SPACING UNIT AND ESTABLISHING AN
APPROXIMATE 560 ACRE DRILLING AND SPACING
UNIT FOR THE WILLIAMS FORK FORMATION AND
ILES FORMATION OF THE MESAVERDE GROUP
FOR CERTAIN DESCRIBED LANDS IN THE MAMM
CREEK FIELD AREA, GARFIELD COUNTY,
COLORADO

CAUSE NO.

DOCKET NO.

APPLICATION

COMES NOW Bill Barrett Corporation ("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 vacating an existing 640 acre drilling and spacing unit established for the Williams Fork and Iles Formations of the Mesaverde Group and establishing an approximate 560 acre drilling and spacing unit for the Williams Fork Formation and Iles Formation of the Mesaverde Group covering certain described lands in the Mamm Creek 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 all or a portion of the leasehold interests in the following described lands:

Township 6 South, Range 91 West. 6th P.M.
Section 36: All

(hereinafter "Application Lands")

3. That the Application Lands currently have been established as a 640 acre drilling and spacing unit for the production of gas and associated hydrocarbons from the Williams Fork Formation and Iles Formation under the Commission's Order 191-8 (WF) dated as of January 10, 2005, as corrected June 2005 and November 2008, and Order 191-10 (ILS) dated as of April 25, 2005, as corrected November 2007 and November 2008. Such orders also approved ten acre density drilling for these formations. Applicant is in the process of selling to a third party all of its leasehold interest in the NE/4NW/4 of the unit (together with its interest in the Hilton 36-21D well located thereon) and all of its leasehold interest in the NW/4NE/4 of the unit. The Hilton 36-21D well is the only well located on the unit and no proceeds from the production of this well have been distributed to date nor will be pending disposition of this Application. With respect to one of the leases covering the lands in the NE/4NW/4 and NW/4NE/4 of the unit, a provision in the lease does not allow drilling and spacing units greater than 40 acres. This is the main reason that Applicant desires to vacate the 640 acre spacing unit covering the Application Lands.

4. In addition to vacating the 640 acre drilling and spacing unit consisting of the Application Lands, Applicant desires to establish an approximate 560 acre drilling and spacing unit covering all of Section 36 excluding the NE/4NW/4 and NW/4NE/4 of the section. Such approximate 560 acre drilling and spacing unit is described as follow:

Township 6 South, Range 91 West, 6th P.M.
Section 36: NE/4NE/4, NW/4NW/4, S/2N/2 and S/2

Such approximate 560 acre drilling and spacing unit would apply to gas and associated hydrocarbons produced from the Williams Fork Formation and Iles Formation. In addition, ten acre density drilling would continue to be permitted for the drilling of Williams Fork and Iles Formation wells upon the 560 acre drilling and spacing unit as well as the NE/4NW/4 and NW/4NE/4 of the Application Lands with setback requirements as follows:

a. All Williams Fork and Iles Formation wells to be drilled upon the new 560 acre drilling and spacing unit should be located downhole anywhere upon the unit but no closer than 100 feet from a boundary of the unit without exception being granted by the Director of the Oil and Gas Conservation Commission. However, where these 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 Formation wells, the well shall be located downhole no closer than 200 feet from the boundary of boundaries of the drilling unit so abutting or cornering such lands without exception being granted by the Commission.

b. All Williams Fork and Iles Formation wells to be drilled upon the NE/4NW/4 and NW/4NE/4 of the Application Lands should be located downhole anywhere upon such lands but no closer than 100 feet from the boundary of such lands or any lease boundary within such lands without exception being granted by the Director of the Oil and Gas Conservation Commission. However, where these 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 Formation wells, the well shall be located downhole no closer than 200 feet from the boundary or boundaries of such lands without exception being granted by the Commission.

5. 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.

6. 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.

7. 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.

8. That the order on this application be made retroactive to September 1, 2009.

WHEREFORE, Applicant respectfully requests that this matter be set for hearing in April, 2010, 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: March __, 2010

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)
) ss.
CITY AND COUNTY OF DENVER)

Cindy Sandell, of lawful age, being first duly sworn upon oath, deposes and says that she is the Landman for Bill Barrett Corporation and that she has read the foregoing Application and that the matters therein contained are true to the best of her knowledge, information and belief.

Cindy Sandell

Subscribed and sworn to before me this _____ day of March, 2010.

Witness my hand and official seal.

My commission expires: _____

Notary Public

EXHIBIT A

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 & Environment
4300 Cherry Creek Drive South
Denver, CO 80246-1530

Bill Barrett Corporation
1099 18th Street, Suite 2300
Denver, CO 80202

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

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

IN THE MATTER OF THE APPLICATION OF BILL
BARRETT CORPORATION FOR AN ORDER
VACATING AN EXISTING 640 ACRE DRILLING
AND SPACING UNIT AND ESTABLISHING AN
APPROXIMATE 560 ACRE DRILLING AND
SPACING UNIT FOR THE WILLIAMS FORK
FORMATION AND ILES FORMATION OF THE
MESAVERDE GROUP FOR CERTAIN
DESCRIBED LANDS IN THE MAMM CREEK
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 Bill Barrett Corporation, that on or before March ___, 2010, 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 March ____, 2010.

Witness my hand and official seal.

My commission expires: _____.

Notary Public