

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 WELL LOCATION  
AND SETBACK RULES FOR THE DRILLING OF  
WILLIAMS FORK FORMATION WELLS OF THE  
MESAVERDE GROUP FOR CERTAIN  
DESCRIBED LANDS IN PARACHUTE FIELD  
AREA, GARFIELD COUNTY, COLORADO

CAUSE NO. 440

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 well location and setback rules applicable to the drilling and producing of wells from the Williams Fork Formation of the Mesaverde Group covering certain described lands in the Parachute 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 95 West, 6<sup>th</sup> P.M.  
Section 7: N/2

(hereinafter "Application Lands")

3. That the Application Lands were established as an approximate 320 acre drilling and spacing unit for the production of gas and associated hydrocarbons from the Mesaverde formation under the Commission Order 440-12 dated May 18, 1990.

4. That multiple wells have been drilled upon the Application Lands or upon lands in close proximity to the Application lands with the result that geological and engineering evidence indicates that Williams Fork wells now should be allowed to be drilled on a ten (10) acre density basis.

5. That as to the above described drilling and spacing unit constituting the Application Lands, the Commission should permit Williams Fork Formation wells to be optionally drilled upon a ten (10) acre density basis with each such well to be located downhole anywhere within the unit provided no such wells shall be located downhole any closer than 100 feet from the boundary of the unit 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 ten (10) acre density Williams Fork wells in which event Williams Fork Formation wells to be drilled upon the given drilling and spacing unit shall be drilled downhole no closer than 200 feet from that portion of the unit boundary which so abuts or corners the lands in respect of which ten (10) acre

density downhole drilling for Williams Fork Formation wells has not been ordered by the 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 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 June 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 this \_\_\_\_\_ day of April, 2010.

**Beatty & Wozniak, P.C.**

By: \_\_\_\_\_  
William A. Keefe  
216 Sixteenth Street, Suite 1100  
Denver, Colorado 80202-5155

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 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 April, 2010.

Witness my hand and official seal.

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

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

**EXHIBIT A**  
**TEN ACRE DENSITY APPLICATION**  
**TOWNSHIP 7 SOUTH, RANGE 95 WEST, 6<sup>TH</sup> P.M.**  
**SECTION 7: N/2**

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  
Attention: Lindsey Ellsworth  
2425 S. Grand Ave, Ste 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

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

Kim Kaal  
Colorado Division of Wildlife  
6060 Broadway  
Denver, CO 80216

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

Charles A. Shear, Trustee of the  
Mahaffey Brothers Trust  
P.O. Box 426  
Collbran, CO 81624

Merrill Dean Mahaffey  
Merrill D. Mahaffey  
1707 E. Earll Dr.  
Phoenix, AZ 85016

Maureen Mahaffey Frederick  
216 30 Rd  
Grand Junction, CO 81503

Margaret Mahaffey Beckner  
216 30 Rd  
Grand Junction, CO 81503

Donna Joyce Mahaffey  
P. O. Box 492263  
Redding, CA 96049

Averyl I Mahaffey  
1205 N. University  
Spokane Valley, WA 99206

Jason Simpson and Lynda Simpson  
174 County Road 301  
Parachute, CO 81635

Smith Family Trust  
50 Holly Way  
Parachute, CO 81635

Del Dawson  
132 S. Columbine Court  
Parachute, CO 81635

Blue Ridge Energy LLC  
P. O. Box 26567  
Phoenix, AZ 85068

Energy Resource Group One  
Attn: Dennis Mitchell  
P. O. Box 711  
Yankton, SD 57078

JC Petroleum Inc.  
P. O. Box 1433  
Chickasha, OK 73023

Crosswind Resource, LLC  
931 S. Lagoon Dr.  
Gilbert, AZ 85233

Mark L. Shidler, Inc.  
Attn: Mark L. Shidler  
1313 Campbell Rd., Bldg D  
Houston, TX 77055

Marks Oil Inc.  
Attn: Stephen K. Marks  
1775 Sherman St., Suite 2990  
Denver, CO 80203-4324

Paladin Inc.  
P. O. Box 5062  
Scottsdale, AZ 85261-5062

Rock Eagle Ranch Corp.  
Attn: Richard E. Weinberg  
P.O. Box 458  
Bellaire, TX 77402-0458

ROEC, Inc.  
Attn: Bill Richardson  
528 S. Corona St.  
Denver, CO 80209

John Santos  
2851 E. Capricorn Pl.  
Chandler, AZ 85249

Thomas Family Limited Partnership  
P. O. Box 80123  
Phoenix, AZ 85060

Ward N Adkins Jr.  
5519 Tupper Lake  
Houston, TX 77056

Outlaw Ribbs, LLC  
Attn: Vance E. Johnson  
P. O. Box 3020  
Grand Junction, CO 81502

Yoneko Suzuki Sherman  
1001 Vine Street, Apt 1001  
Aspen, CO 81611

Yvonne M. Rutherford and  
Ruperto Bonilla  
158 S. 2nd Street  
Parachute, CO 81635

Russell C. Daniels &  
Berit Bjerke-Daniels  
957 Vitos Way  
Carbondale, CO 81623

Williams B. Dillard &  
Jane Dlouhy Dillard  
195 Riverside Drive  
Basalt, CO 81621

Julian C. Timm and  
Lillian R. Timm Living Trust  
882 Maranta Avenue  
Sunnyvale, CA 94087

Everett Melton Morrow Revocable  
Living Trust  
P. O. Box 156  
Parachute, CO 81635

US West Communications/Qwest  
Attn: Susan Kitchen  
1801 California St., Suite 4600  
Denver, CO 80202

Brian L. Secrist  
3 Mule Deer Trail  
Littleton, CO 80127

Crown West Development, LLC  
1015 No. 7th Street  
Grand Junction, CO 81501

KKD Properties, LLC  
P.O. Box 868  
Rifle, CO 81650

Mountain & Lake Suites Inc.  
5921 The Knolls  
Lincoln, NE 68512

High Country Hospitality LLC  
5921 The Knolls  
Lincoln, NE 68512

Town of Parachute  
P.O. Box 100  
Parachute, CO 81635

B&V Developers LLC  
0259 CR 320  
Rifle, CO 81650

Ed Baker and Sally Baker  
P.O. Box 284  
Parachute, CO 81635-0284

Battlement Mesa Metropolitan District  
P.O. Box 6116  
Parachute, CO 81635

John M. Lyons and Jody J. Lyons  
8714 County Road 300  
Parachute, CO 81635

Sandra Saxton and Douglas Saxton  
81 Ridgeview Place  
Parachute, CO 81635

Jace R. Braun  
61 Willow Creek Trail  
Parachute, CO 81635

Robert L. Arrington &  
Ann E. Arrington  
60 Willow Creek Trail  
Parachute, CO 81635

Battlement Mesa Land Investment  
Parcel Fairways LLC  
73G Sipprelle Drive  
Parachute, CO 81635

Battlement Mesa Golf Course, LLC  
P.O. Box 6000  
Parachute, CO 81635

Exxon Corporation  
Attention: Aaron Russell  
396 West Greens Rd.  
CORP-WGR-712  
Houston, TX 77067

Paradise Valley Minerals LLC  
P. O. Box 6000  
Parachute, CO 81635

Transcontinent Oil Company  
621 17th Street, Suite 2501  
Denver, CO 80293

Chevron USA Inc.  
Attention: Don Juan Brown  
1400 Smith Street, Room 42129  
Houston, TX 77002

BAJO Reserve, LLC  
Mr. Jon Russell  
c/o R-O Mfg. Co.  
7701 Will Rogers Boulevard  
Ft. Worth, TX 76140

Sara Del Orona and Howard  
0929 County Rd. 215  
Parachute, CO 81635

Firetrucks Northwest Inc.  
Attn: Joseph F. Feeley, Jr.  
P O. Box 460  
De Beque, CO 81630

EnCana Oil & Gas (USA) Inc.  
Attn: Kirsten Orahood  
370 17th Street, Suite 1700  
Denver, CO 80202

Antero Resources  
Piceance Corporation  
Attn: Mr. Bill Pierini  
1625 - 17th Street, Suite 300  
Denver, CO 80202

Antero Resources Corporation  
Attn: Mr. Bill Pierini  
1625 - 17th Street, Suite 300  
Denver, CO 80202

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

BAJO Reserve, LLC  
Attn: Mr. Jon Russell  
c/o R-O Mfg. Co.  
7701 Will Rogers Boulevard  
Ft. Worth, TX 76140

Apollo Energy, LLC  
Attn: Lou Oswald  
1538 Wazee St., Suite 200  
Denver, CO 80202

Yates Petroleum Corporation  
Yates Drilling Company  
ABO Petroleum Corporation  
MYCO Industries, Inc.  
Attn: Kathy Porter  
105 S 4th Street  
Artesia, NM 88210-2177

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

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                    )  
  )  
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 April 9, 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 April\_\_\_\_\_, 2010.

Witness my hand and official seal.

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

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