

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 AN APPROXIMATE  
160 ACRE DRILLING AND SPACING UNIT FOR  
THE MANCOS, NIOBRARA, FRONTIER,  
DAKOTA/CEDAR MOUNTAIN FORMATIONS  
UNDERLYING CERTAIN DESCRIBED LANDS IN  
GARFIELD COUNTY, COLORADO

CAUSE NO.

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 one hundred sixty acre drilling and spacing unit for the drilling of a vertical exploratory well to test the Mancos, Niobrara, Frontier, Dakota/Cedar Mountain Formations (hereinafter collectively "Deep Formations") underlying the following described lands in Garfield County, Colorado:

Township 7 South, Range 96 West, 6th P.M.  
Section 32: W/2E/2

(hereinafter "Application Lands")

Should Applicant determine the vertical well to be successful, Applicant also requests the right to drill a horizontal well within the unit into one or more of the Deep Formations, such horizontal well to either be a recompletion of the vertical well or an entirely new well drilled within the unit.

In support of its Application, Applicant avers and states 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 the Deep Formations underlying the Application Lands.
3. That the Application Lands currently are not spaced as to the Deep Formations and are subject to the Commission's Rule 318 which provides that wells 2,500 feet or deeper shall be located not less than six hundred (600) feet from any lease line and not less than one thousand two hundred (1,200) feet from any other producible or drilling oil or gas well when drilling to the same common source of supply, unless authorized by order of the Commission upon hearing.
4. That because this is the first well drilled to the Deep Formations on the Application Lands and because very few Deep Formation wells have been drilled in the area of the Application Lands, the requested drilling and spacing unit should be designated an exploratory unit under the provisions of § 34-60-116 of the Colorado Revised Statutes.

5. That the vertical well will not be completed down hole within the Deep Formations any closer than 600 feet to the drilling unit boundary. If the vertical well is reentered for the drilling of a horizontal well within one or more of the Deep Formations (or if an additional well is horizontally drilled within one or more of the Deep Formations), no portion of the horizontal lateral shall be completed within 600 feet of the drilling unit boundary. Further, the lateral of any new horizontal well drilled within the Deep Formations shall be drilled no closer than three hundred (300) feet from the wellbore of the vertical well drilled to the Deep Formations.

6. That the above-proposed spacing unit and drilling of the proposed exploratory well (to include a possible second well to be drilled horizontally) will allow exploration to take place of the Deep Formations, will not promote waste and will not violate correlative rights.

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.

WHEREFORE, Applicant respectfully requests that this matter be set for hearing in October 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 25th day of August, 2010.

**BEATTY & WOZNIAK, P.C.**

By: \_\_\_\_\_  
William A. Keefe  
216 Sixteenth Street, Suite 1100  
Denver, Colorado 80202-5155  
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 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 25th day of August, 2010.

Witness my hand and official seal.

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

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

## EXHIBIT A INTERESTED PARTIES

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  
2300 River Frontage Road  
Silt, CO 81652

United States Department of Interior  
Bureau of Land Management  
Attention: Lindsey Ellsworth  
2300 River Frontage Road  
Silt, CO 81652

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

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

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

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

Apollo Energy, LLC  
P.O. Box 280969  
Lakewood, CO 80228-0969

Ivy Energy, Inc.  
Attn: Michael B. Burton  
5110 South Yale, Suite 410  
Tulsa, OK 74135

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

Exxon Mobil Corporation  
Attn: Dylan Boyer  
396 West Greens Rd.  
CORP-WGR-706  
Houston, TX 77067

Getty Oil and Exploration Company  
c/o Chevron North America Exploration  
and Production Company  
Attn: Walter Jones  
1400 Smith St, Rm 42160  
Houston, Texas 77002

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

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, j/t  
1515 Hwy 6  
Parachute, CO 81635

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

Steven Keinath  
215 W. 24<sup>th</sup> 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  
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

Black Magic #2, LLC  
1720 Bellaire Street, Suite 1209  
Denver, CO 80222

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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 August 26, 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 August 25, 2010.

Witness my hand and official seal.

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

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