

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

IN THE MATTER OF THE PROMULGATION AND  
ESTABLISHMENT OF FIELD RULES TO  
GOVERN OPERATIONS IN THE RULISON FIELD  
AREA, GARFIELD COUNTY, COLORADO

CAUSE NO. 139

DOCKET NO. 1110-SP-\_\_\_\_\_

**APPLICATION**

COMES NOW Laramie Energy II, LLC (the "Applicant"), by its attorneys, Lohf Shaiman Jacobs Hyman & Feiger PC, and submits its application to the Oil and Gas Conservation Commission of the State of Colorado, for an order establishing well density and location rules applicable to the drilling and producing of oil, gas and associated hydrocarbons from the Williams Fork and Iles Formations of the Mesaverde Group covering the lands described below, in the Rulison Field area, Garfield County, Colorado, and in support states as follows.

1. The Applicant is duly authorized to conduct business in the State of Colorado.
2. The Applicant owns leasehold interests in the following described lands located in Garfield County, Colorado, containing approximately 165.25 acres (hereinafter, the "Application Lands"):  
Township 7 South, Range 93 West, 6th P.M.  
Section 29: W/2 of Tract 66  
Section 30: Tract 66  
Section 31: Tract 66, Lots 5, 6 and 7  
Section 32: W/2 of Tract 66, Lot 3
3. The Application Lands as to the Williams Fork and Iles Formations are governed by Rule 318.a, which provides that a well to be drilled in excess of two-thousand five-hundred (2,500) feet in depth shall be located not less than six-hundred (600) feet from any lease line, and shall be located not less than one-thousand two-hundred (1,200) feet from any other producible or drilling oil and gas well when drilling to the same common source of supply, unless authorized by order of the Commission upon hearing.
4. No wells have been drilled on the Application Lands. The Applicant and others have drilled, tested and completed wells to the Williams Fork and Iles Formations in the vicinity of the Application Lands.
5. To promote efficient drainage of the Williams Fork and Iles Formations in the Application Lands, the Applicant requests that the Commission increase the number of wells which may be optionally drilled to and produced from the Williams Fork and Iles Formations in the Application Lands to the equivalent of one well per ten (10) acres, subject to the rules set forth below.
6. The Commission should allow all future Williams Fork and Iles Formation wells to be located downhole anywhere on the Application Lands, but no closer than 100 feet from the boundaries of a lease line, unless such boundary abuts or corners lands in respect of which the Commission has not at the time of drilling permit application granted the right to drill 10-acre

density wells for the Williams Fork Formation, in which event Williams Fork and Iles Formations wells may be drilled downhole no closer than 200 feet from that portion of the boundary of a lease line which so abuts or corners the lands in respect of which 10-acre density downhole drilling for the Williams Fork Formation has not been ordered by the Commission, without exception being granted by the Commission.

7. The Commission should provide that any well drilled to the Iles Formation under the requested Order shall be drilled only in connection with the drilling of a Williams Fork Formation well.

8. Wells to be drilled under the requested order shall 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) or directionally from any then existing pad on other lands, unless exception is granted by the Director of the Commission.

9. 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.

10. The names and addresses of the interested parties according to the information and belief of the Applicant are set forth on **Exhibit A** attached hereto and made a part hereof.

WHEREFORE, Applicant, Laramie Energy II, LLC, respectfully requests that this matter be set for hearing in October 31, 2011, that notice be given as required by law and upon such hearing this Commission enter its order consistent with Applicant's proposals set forth above.

Dated: August 31, 2011.

**LOHF SHAIMAN JACOBS HYMAN & FEIGER PC**

By: \_\_\_\_\_

J. Michael Morgan #7279  
950 South Cherry Street, Suite 900  
Denver, CO 80246  
(303) 753-9000; (303) 753-9997 (fax)  
[mmorgan@lohshaiman.com](mailto:mmorgan@lohshaiman.com)

Applicant's Address:

Laramie Energy II, LLC  
1512 Larimer Street, Suite 1000  
Denver, CO 80202

## EXHIBIT A

### NOTICE LIST

**Noble Energy, Inc.**

Attn: Mari Gillman  
1625 Broadway, Suite 2200  
Denver, CO 80202

**Laramie Energy II, LLC**

Attn: Mark Petry  
1512 Larimer Street, Suite 1000  
Denver, CO 80202

**Encana Oil & Gas (USA) Inc.**

Attn: South Piceance Land  
370 17<sup>th</sup> Street, Suite 1700  
Denver, CO 80202

**Williams Production RMT Company**

1515 Arapahoe Street  
Tower 3, Suite 1000  
Denver, CO 80202

**Noble Energy, Inc.**

100 Glenborough Drive, Suite 100  
Houston, Texas 77067-3610

**Yates Petroleum Corporation**

**Yates Drilling Company**

**ABO Petroleum Corporation**

**MYCO Industries, Inc.**

105 South 4th Street  
Artesia, NM 88210

**Black Diamond Minerals, LLC**

1600 Stout Street, Suite 1350  
Denver, CO 80202

**Garfield County**

0375 County Road 352  
Building 2060  
Rifle, CO 81650

**Bureau of Land Management**

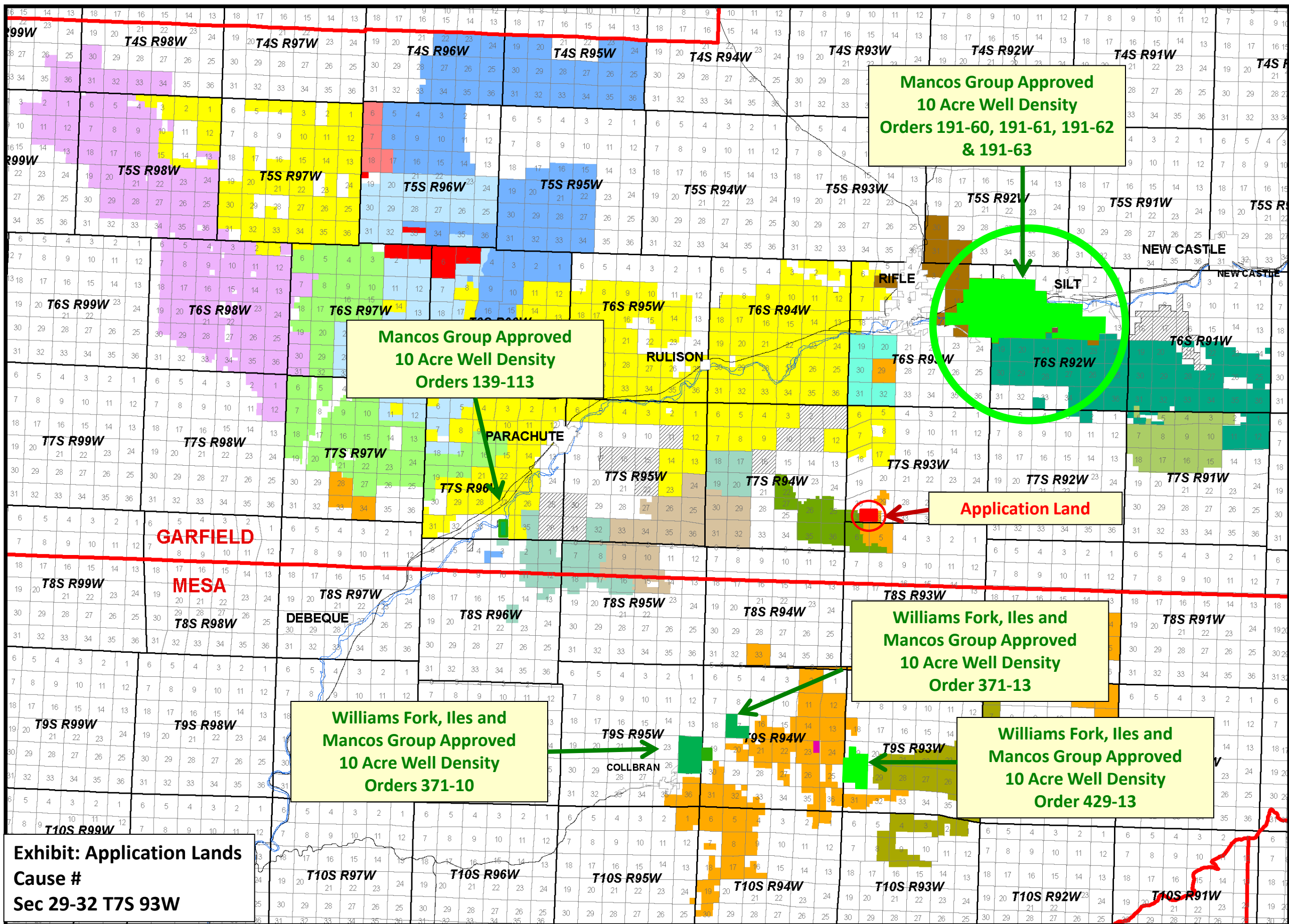
Attn: Karen Zurek  
2850 Youngfield Street  
Lakewood, CO 80215

**Bureau of Land Management**

Attn: Fluid Minerals CO - 922  
2850 Youngfield Street  
Lakewood, CO 80215





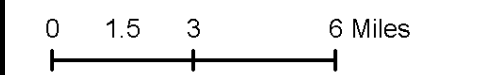


DOWNHOLE 10-ACRE DENSITY LANDS (COLOR-CODED BY OPERATOR)

- Antero
- Barrett
- Berry
- Black Diamond
- Chevron
- ConocoPhillips
- Delta
- Dolphin
- Encana
- Laramie
- Noble
- OXY
- PDC
- Petrogulf
- Plains
- Presco
- Whiting
- Williams
- Windsor

DOWNHOLE 20-ACRE DENSITY LANDS

Note: Spaced lands are mapped to the nearest quarter quarter section or lot.



DOWNHOLE 10-ACRE DENSITY LANDS, GARFIELD & MESA COUNTIES, COLORADO AS OF MAY 8, 2008



Exhibit: Application Lands  
Cause #  
Sec 29-32 T7S 93W