

**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 BRUSH CREEK FIELD, MESA  
COUNTY, COLORADO

CAUSE NO. 429

DOCKET NO. 1101-SP-04

**AMENDED APPLICATION**

COMES NOW Laramie Energy II, LLC ("Applicant"), by its attorneys, Beatty & Wozniak, P.C., LLC, and **amends** its application to the Oil and Gas Conservation Commission of the State of Colorado for an order establishing an approximate 885.16 acre drilling and spacing unit together with well density and well location rules for the Williams Fork and Iles Formations of the Mesaverde Group and for the Mancos, Niobrara, Frontier, Mowry, and Dakota Formations ("Deep Formations") covering certain described lands in the Buzzard Field area, Mesa County, Colorado and in support of its application states and alleges as follows:

1. That Applicant is 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 9 South, Range 93 West, 6th P.M.  
Section 19: Lot 4, SE/4NW/4, E/2SW/4, SE/4  
Section 30: Lots 1-3, NE/4SW/4, E/2NW/4, E/2

Mesa County

containing approximately 885.16 acres

(hereinafter "Application Lands")

3. The Application Lands are unspaced as to the Williams Fork and Iles Formations of the Mesaverde Group and also as to the Deep Formations and are therefore governed by Rule 318.a. which established 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.

5. That multiple wells have been drilled, tested and completed in the Williams Fork Formation and Iles Formation of the Mesaverde Group in the vicinity of the Application Lands and a few wells have also been drilled to the Deep Formations in the general area of the Application Lands.

6. That to promote efficient drainage within the Williams Fork Formation and Iles Formation of the Mesaverde Group and the Deep Formations of the Application Lands, the Commission should establish an approximate 885.16 acre drilling and spacing unit for the production of gas and associated hydrocarbons from the Williams Fork Formation, the Iles Formation and the Deep Formations. In addition, the Application Lands as to such formations should be approved for equivalent of one well per ten (10) acres.

7. That as to the Application Lands, the Commission should allow all future Williams Fork Formation, and Iles Formation ~~and Deep Formation~~ wells to be located downhole anywhere upon the Application Lands but no closer than 100 feet from the boundaries of the drilling and spacing unit unless such boundary or boundaries 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 the Williams Fork, and Iles Formation ~~and Deep Formations~~ wells to be drilled upon the Application Lands should be drilled downhole no closer than 200 feet from that portion of the boundary which so abuts or corners the lands in respect of which 10 acre density downhole drilling for Williams Fork Formation wells has not been ordered by the Commission, without exception being granted by the Commission. **As to the Deep Formation wells, such wells shall be located downhole anywhere upon the Application Lands but no closer than 600 feet from the boundaries of the drilling and spacing unit, without exception being granted by the Commission.**

8. 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.

9. That all wells drilled to the Iles Formation will be drilled only in connection with the drilling of Williams Fork Formation wells.

10. 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.

11. That 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 respectfully requests that this matter be set for hearing in **February, 2011**, 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: December 22, 2010.

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

By: \_\_\_\_\_  
Kenneth A. Wonstolen  
William A. Keefe  
216 Sixteenth St, Suite 1100  
Denver, Colorado 80202-5110  
(ph) 303-407-4499

Applicant's Address  
Laramie Energy II, LLC  
1512 Larimer Street, Suite 1000  
Denver, CO 80202

**VERIFICATION**

STATE OF COLORADO                    )  
  )    ss.  
CITY AND COUNTY OF DENVER    )

Mark R. Petry, of lawful age, being first duly sworn upon oath, deposes and says that he is a Vice President of Business Development for Laramie Energy II, LLC and that he has read the foregoing **Amended** Application and that the matters therein contained are true to the best of his knowledge, information and belief.

\_\_\_\_\_  
Mark R. Petry

Subscribed and sworn to before me this \_\_\_\_\_ day of **December**, 2010.

Witness my hand and official seal.

My commission expires:

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

## **EXHIBIT A**

### **NOTICE LIST**

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

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

Antero Resources Piceance Corporation  
1625 17th Street, Suite 300  
Denver, CO 80202

OXY USA, Inc.  
10889 Wilshire Blvd.  
Los Angeles, CA 80024

Karen M. Linn  
8231 Inca Road  
Larkspur, CO 80118

Delta Petroleum Corporation  
370 17th Street, Suite 4300  
Denver, CO 80202

Bureau of Land Management  
Attn: Marty O'Mara  
2425 South Grand Ave., Suite 101  
Glenwood Springs, Colorado 81601

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

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

Randy Price  
Mesa County Planning & Eco. Development  
750 Main Street  
PO Box 20000  
Grand Junction, CO 81501

**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 BRUSH CREEK FIELD, MESA  
COUNTY, COLORADO

CAUSE NO. 429

DOCKET NO. 1101-SP-04

**AFFIDAVIT OF MAILING**

STATE OF COLORADO                     )  
  ) ss.  
CITY AND COUNTY OF DENVER        )

Kenneth A. Wonstolen of lawful age, and being first duly sworn upon his oath, states and declares:

That he is an attorney for Laramie Energy II, LLC, that on or before December \_\_\_\_, 2010, he caused a copy of the attached **Amended** Application to be deposited in the United States Mail, postage prepaid, addressed to the parties listed on Exhibit A to the **Amended** Application.

\_\_\_\_\_  
Kenneth A. Wonstolen

Subscribed and sworn to before me December \_\_\_\_, 2010.

Witness my hand and official seal.

My commission expires:

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