

BEFORE THE OIL & GAS CONSERVATION COMMISSION
OF THE STATE OF COLORADO

IN THE MATTER OF THE APPLICATION OF NOBLE)	
ENERGY, INC. FOR AN ORDER POOLING ALL)	Cause No. 139
NONCONSENTING INTERESTS IN FOUR (4))	
WELLS FOR PRODUCTION FROM THE WILLIAMS)	Docket No. _____
FORK FORMATION UNDERLYING CERTAIN)	
LANDS IN THE RULISON FIELD, GARFIELD)	
COUNTY, COLORADO)	

APPLICATION

COMES NOW Noble Energy, Inc. (referred to herein as “Applicant”), by and through its undersigned attorneys, and makes application to the Colorado Oil and Gas Conservation Commission (“Commission”), for an order to pool all interests in the SE¼SE¼ of Section 18, Township 7 South, Range 94 West for the drilling of four (4) wells (as described below) to produce from the Cameo Zone of the Williams Fork Formation, Garfield County, Colorado. In support thereof, the Applicant states and alleges as follows:

- 1. Applicant is a corporation duly authorized to conduct business in the State of Colorado, and is a registered operator in good-standing with the Commission.
- 2. Applicant holds certain leasehold interests in the following lands that are subject to this application:

Township 7 South, Range 94 West, 6th P.M.
Section 17: SW¼SW¼ (surface hole locations)
Section 18: SE¼SE¼ (bottomhole locations)

Garfield County, Colorado (hereinafter referred to as “Application Lands”).

- 2. On April 29, 1990, the Commission issued Order No. 139-16, which, among other things, established 640-acre drilling and spacing units for the production of gas from the Mesaverde Formation for the Application Lands and also provided that Mesaverde wells shall be located in the NE¼ or the SW¼ no less than 600 feet from the unit boundaries and at least 1200 feet from the nearest well producing from the same source of supply for the Application Lands.
- 3. On June 5, 2006, the Commission Issued Order No. 139-61 (as corrected) which, among other things, provided that one (1) well per 10 acres shall be allowed to be drilled for production of gas and associated hydrocarbons from the Williams Fork Formation with no more than four (4) Williams Fork Formation wells downhole per government quarter quarter section, with the permitted well to be located no closer than one hundred (100) feet from the unit boundary and no closer than two hundred (200) feet from the unit boundary where 10-acre density has not been allowed. Order No. 139-61 also provided that wells shall be drilled from the surface either vertically or directionally from no more than one (1) pad located on a given quarter quarter section unless exception is granted by the Commission.
- 4. On May 25, 2007, the Commission Issued Order No. 139-73, which among other things, established 40-acre drilling and spacing units for production of gas and associated hydrocarbons from the Williams Fork and Iles Formations for the Application Lands, allowing up to one (1) well per 10 acres with the option of up to four (4) wells, with the permitted well to be located no closer than 100 feet from the unit boundary, and no closer than 200 feet from the unit boundaries where 10-acre density drilling has not been allowed, without exception being granted by the Commission. Order No. 139-73 also provided that wells shall be drilled from the surface either vertically or directionally from no more than one pad located on a given quarter quarter section unless exception is granted by the Commission.
- 5. Applicant, pursuant to Commission Rule 530 and pursuant to the provisions of C.R.S. §34-60-116 (6) and (7), seeks an order to involuntarily pool all interests not voluntarily pooled in the Cameo Zone of the Williams Fork Formation underlying the Application Lands.
- 6. Applicant proposes to drill four (4) directional wells on the Application Lands with the surface hole location for each well located in the SW¼SW¼ of Section 17, Township 7 South, Range 94 West on Applicant’s Rulison 17M Wellpad. Commission Order No. 139-73 applies to the

SW¼SW¼ of Section 17, Township 7 South, Range 94 West and provides, in part, that wells may be drilled from the surface either vertically or directionally from no more than one (1) pad located on a given quarter quarter section unless exception is granted by the Director of the Commission. Seventeen (17) wells have been approved for drilling from the Rulison 17M Wellpad. Applicant holds a 100% working interest in thirteen (13) of the wells on the Rulison 17M Wellpad. The remaining four (4) wells, described in Paragraphs 7-10 below, are owned jointly by Applicant and Williams Production RMT Company LLC ("Williams").

7. Applicant proposes to drill the Double B Ranch 18-44A Well on the Application Lands with a proposed bottomhole location of 1126' FSL and 624' FEL of Section 18, Township 7 South, Range 94 West. Applicant holds an approved Application for Permit to Drill for the Double B Ranch 18-44A Well. Applicant holds a 12.5% working interest in the Double B Ranch 18-44A Well and Williams holds an 87.5% working interest in the Double B Ranch 18-44A Well.

8. Applicant proposes to drill the Double B Ranch 18-44B Well on the Application Lands with a proposed bottomhole location of 850' FSL and 613' FEL of Section 18, Township 7 South, Range 94 West. Applicant holds an approved Application for Permit to Drill for the Double B Ranch 18-44B Well. Applicant holds a 12.5% working interest in the Double B Ranch 18-44B Well and Williams holds an 87.5% working interest in the Double B Ranch 18-44B Well.

9. Applicant proposes to drill the Double B Ranch 18-44C Well on the Application Lands with a proposed bottomhole location 480' FSL and 594' FEL of Section 18, Township 7 South, Range 94 West. Applicant holds an approved Application for Permit to Drill for the Double B Ranch 18-44C Well. Applicant holds a 12.5% working interest in the Double B Ranch 18-44C Well and Williams holds an 87.5% working interest in the Double B Ranch 18-44C Well.

10. Applicant proposes to drill the Double B Ranch 18-44D Well on the Application Lands with a proposed bottomhole location of 193' FSL and 624' FEL of Section 18, Township 7 South, Range 94 West. Applicant holds an approved Application for Permit to Drill for the Double B Ranch 18-44D Well. Applicant holds a 12.5% working interest in the Double B Ranch 18-44D Well and Williams holds an 87.5% working interest in the Double B Ranch 18-44D Well.

11. Exhibit A attached hereto lists the interest owners in the Double B Ranch 18-44A Well, Double B Ranch 18-44B Well, Double B Ranch 18-44C Well, and Double B Ranch 18-44D Well, together with their addresses. All working interest owners (not otherwise voluntarily pooled) have been provided with an AFE and have been offered the opportunity to voluntarily participate in the drilling of the Double B Ranch 18-44A, Double B Ranch 18-44B, Double B Ranch 18-44C, and Double B Ranch 18-44D Wells. To date, however, not all of such working interest owners have elected to participate by agreeing to bear their respective proportionate shares of the costs and risks of drilling, completing and operating the well. AFE's containing the information respecting each well, as required by Commission Rule 530.b., were sent to these working interest owners more than thirty (30) days prior to the date of the hearing on this application.

12. Applicant requests that the Commission's involuntary pooling order issued with respect to this Application be made retroactive to the date of the spudding for each individual Double B Ranch well.

13. Notice of this Application has been provided to those parties listed on Exhibit A attached hereto.

WHEREFORE, Applicant respectfully requests that this matter be set for hearing, that notice thereof be given as required by law and that upon such hearing this Commission enter its order:

A. Pooling involuntarily all of the working interest owners listed on Exhibit A with whom Applicant has been unable to secure an agreement for the drilling of the wells described in Paragraphs 7-10, and that such working interest owners be treated as non-consenting owners under C.R.S. §34-60-116 and made subject to the terms and penalties provided for therein.

B. That all interest owners in the Double B Ranch 18-44A, Double B Ranch 18-44B, Double B Ranch 18-44C, and Double B Ranch 18-44D Wells which are not voluntarily pooled in each well be involuntarily pooled.

C. That the effective date of the Commission's involuntary pooling order will be made retroactive to the date of spudding for each individual Double B Ranch well.

D. For such other findings and orders as the Commission may deem proper or advisable in the premises.

DATED this ____ day of February, 2011.

Respectfully submitted,

NOBLE ENERGY, INC.

By:_____

Jamie L. Jost
Michael J. Wozniak
Elizabeth Y. Gallaway
Beatty & Wozniak, P.C.
Attorneys for Applicant
216 16th Street, Suite 1100
Denver, Colorado 80202
(303) 407-4499

Applicant's Address:
1625 Broadway, Suite 2200
Denver, CO 80202

VERIFICATION

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

Robert Hoelsken, of lawful age, being first duly sworn upon oath, deposes and says that he is Attorney-in-Fact for Noble Energy, Inc. 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.

Robert Hoelsken

Subscribed and sworn to before this ____ day of February, 2011.

Witness my hand and official seal.

[SEAL]

My commission expires: _____

Notary Public

EXHIBIT A
Interested Parties

Williams Production RMT Company LLC
ATTN: Mr. Patrick Kunc
1515 Arapahoe Street, Tower III, Ste. 1000
Denver, Colorado 80202

Savage Resources, LLC **(Verbal election to go non-consent)**
ATTN: Dan Savage
910 16th Street, Ste. 201
Denver, Colorado 80202

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AFFIDAVIT OF MAILING

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

Jamie L. Jost of lawful age, and being first duly sworn upon her oath, states and declares:

That she is the attorney for Noble Energy, Inc., that on or before February 11th, 2011, she 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.

Jamie L. Jost

Subscribed and sworn to before me on February ____, 2011

Witness my hand and official seal.

My commission expires: _____.

Notary Public