

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

IN THE MATTER OF THE APPLICATION OF )  
ENCANA OIL & GAS (USA) INC. FOR AN ) Cause No. 191  
ORDER POOLING ALL NONCONSENTING )  
INTERESTS IN THE WILLIAMS FORK AND ) Docket Nos.  
ILES FORMATIONS IN AN ESTABLISHED )  
DRILLING AND SPACING UNIT LOCATED IN )  
THE MAMM CREEK FIELD, GARFIELD )  
COUNTY, COLORADO )  
)

APPLICATION

COMES NOW EnCana Oil & Gas (USA) Inc. (referred to herein as "Applicant"), by and through its undersigned counsel, and makes application to the Oil and Gas Conservation Commission of the State of Colorado ("COGCC"), for an order to pool all non-consenting interests for the drilling of wells in an approximate 80-acre drilling and spacing unit in the Williams Fork and Iles Formations in the lands more particularly described in Paragraph 3 below located in Township 6 South, Range 92 West, 6<sup>th</sup> P.M., Garfield County, Colorado. In support thereof, the Applicant states and alleges as follows:

1. That the Applicant is a corporation duly authorized to conduct business in the State of Colorado.
2. That the Applicant owns leasehold interests in the unit requested for pooling.
3. Pursuant to COGCC Order 191-8, an approximate 80-acre drilling and spacing unit for the Williams Fork Formation was established. Through Order 191-10 an approximate 80-acre drilling and spacing unit for the Iles Formation was established. Such Orders include the following lands at issue in this Application:

Township 6 South, Range 92 West, 6<sup>th</sup> P.M.  
Section 34: S ½ SE ¼

Garfield County, Colorado

Pursuant to such Orders, the number of wells which can be optionally drilled into and produced from the Williams Fork and Iles Formations are the equivalent of one well per 10 acres.

4. Applicant has proposed four wells to the Williams Fork and Iles Formations within the drilling and spacing unit described in paragraph 3 above as follows:
5. That some of the parties listed on Exhibit A hereto own separate leased mineral interests in the referenced drilling and spacing unit located in Section 34 encompassed within the drilling and spacing unit, and such parties have been offered the option to participate in the drilling of the wells in the unit, but to date one or more of such parties have refused to participate by bearing their proportionate shares of the costs and risks of drilling or operating the wells. An AFE for each of the wells containing the information required by COGCC Rule 530.a. was sent respecting the wells more than thirty (30) days prior to the date of the hearing on this Application. A copy of an example of such AFE and letter is attached hereto as Exhibit B.
6. Moreover, that with respect to any non-consenting owners of unleased mineral interests listed on Exhibit A, Applicant has made reasonable attempts pursuant to COGCC Rule 530.b. to enter into leases with such parties but has as of yet been unsuccessful in such attempts.
7. That in order to prevent waste, protect correlative rights and in the best interests of conservation, all interests owned by the nonconsenting parties listed on Exhibit A should be pooled in the Williams Fork and Iles Formations in accordance with C.R.S. § 34-60-116 and Rule 530 of the COGCC.

8. That the names and addresses of the interested parties with respect to this Application are as set forth in Exhibit A 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. That all leasehold interest owners with whom Applicant has been unable to secure an agreement for the drilling of the proposed wells and all unleased mineral interests owners who refuse to execute a lease as described in paragraphs 4 and 5 be pooled involuntarily with respect to the Williams Fork and Iles Formations, and that such 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. For such other findings and orders as the Commission may deem proper or advisable in the premises.

DATED this 20<sup>th</sup> day of April, 2007.

Respectfully submitted,

ENCANA OIL & GAS (USA) INC.

By:

\_\_\_\_\_  
Susan L. Aldridge  
BEATTY & WOZNIAK, P.C.  
216 16<sup>th</sup> Street, Suite 1100  
Denver, CO 80202  
(303) 407-4499

Applicants' Address:

370 17<sup>th</sup> Street, Suite 1700  
Denver, CO 80202

VERIFICATION

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

Dorothy Dejmal, of lawful age, being first duly sworn upon oath, deposes and says that she is a Land Negotiator for EnCana Oil & Gas (USA) Inc. and that she has read the foregoing Application and that the matters therein contained are true to the best of her knowledge, information and belief.

\_\_\_\_\_  
Dorothy Dejmal

Subscribed and sworn to before this \_\_\_\_ day of April, 2007.

Witness my hand and official seal.

My commission expires:

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

[SEAL]

## EXHIBIT A

### Interested Parties

John R. Boulton, Jr. and Nancy L. Black  
PO Box 666  
Rifle, CO 81650-0666

Robert O. Boulton  
8985 Rogers Road  
Longmont, CO 80501

Weston E. Boulton and Verley B. Boulton Trust  
2912 Middlesborough Court  
Fort Collins, CO 80525

George H. Boulton  
401 North Clara  
Arlington, WA 98223

Marian E. Wooding  
250 Heath Village  
Hackettstown, NJ 07840

George G. Vaught, Jr.  
PO Box 13557  
Denver, CO 80201

Paul L. McCulliss  
PO Box 3248  
Littleton, CO 80151-3248

James A. Williams  
3030 Twin Creek Drive  
Corpus Christi, TX 78414

Robert B. Williams  
12280 Corte Sabio #4207  
San Diego, CA 92128

Gary Hunter  
27601 Hialeah Dr.  
Tehachapi, CA 93561

Donald L. Currie and Janet M. Currie  
4926 County Road 331  
Silt, CO 81652

Thomas Lee Williams  
629 Medina Drive  
Highland Village, TX 75077

Kathryn A. Spaetti  
6 Mimosa Court  
Quakertown, PA 18951

Flat Tops Minerals LLC  
Attention: Mr. Don Moyer  
P.O. Box 4376  
Grand Junction, CO 81502

Bill Barrett Corporation  
1099 18th Street Suite 2300  
Denver, CO 80202

### Non-Consenting and Unleased

Piceance Royalty Partners LLC  
Attention: Louis A. Oswald  
1557 Ogden Street, Suite 300  
Denver, CO 80218

### Unleased

Michael McHaney  
11407 Presilla Road  
Camarillo, CA 93010

Susan Holling  
7253 Sugarbrush Court  
Reno, NV 89523

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9. That the Applicant is a corporation duly authorized to conduct business in the State of Colorado.

10. That the Applicant owns leasehold interests in the unit requested for pooling.

11. Pursuant to COGCC Order 191-8, an approximate 80-acre drilling and spacing unit for the Williams Fork Formation was established. Through Order 191-10 an approximate 80-acre drilling and spacing unit for the Iles Formation was established. Such Orders include the following lands at issue in this Application:

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Pursuant to such Orders, the number of wells which can be optionally drilled into and produced from the Williams Fork and Iles Formation are the equivalent of one well per 10 acres.

12. Applicant has proposed four wells to the Williams Fork and Iles Formation within the drilling and spacing unit described in paragraph 3 above as follows:

13. That some of the parties listed on Exhibit A hereto own separate leased mineral interests in the referenced drilling and spacing unit located in Section 34 encompassed within the drilling and spacing unit, and such parties have been offered the option to participate in the drilling of the wells in the unit, but to date one or more of such parties have refused to participate by bearing their proportionate shares of the costs and risks of drilling or operating the wells. An AFE for each of the wells containing the information required by COGCC Rule 530.a. was sent respecting the wells more than thirty (30) days prior to the date of the hearing on this Application. A copy of an example of such AFE and letter is attached hereto as Exhibit B.

14. Moreover, that with respect to any non-consenting owners of unleased mineral interests listed on Exhibit A, Applicant has made reasonable attempts pursuant to COGCC Rule 530.b. to enter into leases with such parties but has as of yet been unsuccessful in such attempts.

15. That in order to prevent waste, protect correlative rights and in the best interests of conservation, all interests owned by the nonconsenting parties listed on Exhibit A should be pooled in

the Williams Fork and Iles Formations in accordance with C.R.S. § 34-60-116 and Rule 530 of the COGCC.

16. That the names and addresses of the interested parties with respect to this Application are as set forth in Exhibit A 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. That all leasehold interest owners with whom Applicant has been unable to secure an agreement for the drilling of the proposed wells and all unleased mineral interests owners who refuse to execute a lease as described in paragraphs 4 and 5 be pooled involuntarily with respect to the Williams Fork and Iles Formations, and that such 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.

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