

# Williams Fork Unit

Fact Sheet (Last Updated 5/17/11)

## What is unitization?

Unitization provides for the exploration, development, and operation of a geologically defined area by a single operator so that drilling and production may proceed in the most efficient and economical manner.

Benefits of unitization include enhanced development of the public resources, economic return, operational advantages (i.e. individual leases versus entire unit operations.), improved environmental protection and shared risk.

**About the existing application to unitize in Moffat County, Colorado –** Shell Exploration & Production submitted an application to the BLM on Feb. 24, 2011 for the Williams Fork Oil and Gas Unit Agreement, which includes approximately 37,000 acres in the Sand Wash Basin area.

Shell plans to drill two obligation wells that will most likely be directional or horizontal wells in the Niobrara Shale zone. The BLM is currently reviewing that application; however, no decision has been made.

## If I own leases in the area, do I have to participate?

No. Participation in a federal exploratory unit is completely voluntary wherein owners of minerals or mineral leases may or may not choose to participate. This means that leases cannot be included in a unit without prior consent from the lease holders. Unitization does not have any effect on surface ownership and does not convey any access rights.

The BLM is not allowed to speculate on the intent or possible motives of an oil and gas operator nor do we engage in negotiating participation in the unit itself.

## How are units approved?

After an area is designated as logically subject to unitization *and* the proponent has obtained sufficient participants to the unit agreement, the executed unit agreement may be approved by the BLM authorized officer.

