

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

IN THE MATTER OF THE APPLICATION OF)
KERR-MCGEE OIL & GAS ONSHORE LP FOR) Cause No. _____
AN ORDER POOLING ALL INTERESTS)
OTHERWISE NOT VOLUNTARILY POOLED) Docket No. _____
AND/OR NONCONSENTING INTERESTS IN)
THE NIOBRARA FORMATION IN A 320-ACRE)
WELLBORE SPACING UNIT LOCATED IN)
THE WATTENBERG FIELD, WELD COUNTY,)
COLORADO)

APPLICATION

COMES NOW Kerr-McGee Oil & Gas Onshore LP (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 not otherwise voluntarily pooled within a 320-acre wellbore spacing unit for the drilling of a horizontal well to produce oil, gas, and associated hydrocarbons from the Niobrara Formation located in the N½ of Section 12, Township 4 North, Range 66 West, 6th P.M. Weld County, Colorado. In support thereof, the Applicant states and alleges as follows:

1. Applicant is a limited partnership formed under the laws of the State of Delaware, is a wholly owned subsidiary of Anadarko Petroleum Corporation, and is duly authorized to conduct business in the State of Colorado.

2. Applicant owns certain leasehold interests in the following lands requested for pooling:

Township 4 North, Range 66 West, 6th P.M.
Section 12: N½

Weld County, Colorado (“Application Lands”).

3. On February 19, 1992, the Commission issued Order No. 407-87 (amended August 20, 1993), which among other things, established 80-acre drilling and spacing units for the production of oil and/or gas from the Codell and Niobrara Formations underlying certain lands, including the Application Lands, with the permitted well locations in accordance with the provisions of Order No. 407-1. Order No. 407-1 (amended on March 29, 2000 in accordance with Order No. 407-17, entered November 18, 1985), among other things, established 80-acre drilling and spacing units for the production of oil and/or gas and associated hydrocarbons from the Codell Formation underlying certain lands, including the Application Lands, with the drilling and spacing unit to be designated by the operator drilling the first well in the quarter section, (or the Director, if the operator fails to designate). The permitted well shall be located in the center of either 40-acre tract within the drilling and spacing unit with a tolerance of 200 feet in any direction. The operator shall have the option to drill an additional well on the undrilled 40-acre tract in each 80-acre drilling and spacing unit.

4. On April 27, 1998, the Commission adopted Rule 318A, which, among other things, established drilling windows and allowed certain drilling locations to be utilized to drill or twin a well, deepen a well or recomplete a well and to commingle any or all of the Cretaceous Age Formation from the base of the Dakota Formation to the surface. The Application Lands are subject to the foregoing Orders and Rule 318A. Pursuant to Rule 318A.j., Rule 318A supersedes all prior Commission drilling and spacing orders affecting well location and density requirements of GWA wells.

5. Applicant, pursuant to the applicable provisions of C.R.S. §34-60-116, seeks an order to involuntarily pool all interests not voluntarily pooled in the Niobrara Formation underlying the Application Lands.

6. Applicant plans to drill one (1) horizontal well on the Application Lands. The McCarthy Federal 1-12 HZ (“Well”) has a proposed surface hole location in the NW¼ of Section 12, Township 4 North, Range 66 West and a proposed bottomhole location of 1058’ FNL and 460’ FEL of Section 12,

Township 4 North, Range 66 West. The surface location for the Well is located within an established drilling window pursuant to Commission Rule 318A.a. A Well Location Certificate is attached hereto.

7. Contemporaneous with the filing of this Application, Applicant is filing an application seeking to establish a 320-acre wellbore spacing unit for the Application Lands.

8. Exhibit A attached hereto lists all interests not otherwise voluntarily pooled and/or nonconsenting interests in the 320-acre wellbore spacing unit together with their addresses.

9. Applicant requests that the Commission's statutory pooling order issued with respect to this Application be retroactive to the earliest date costs are incurred for the McCarthy Federal 1-12 HZ Well as allowed by C.R.S. § 34-60-116, or the date of this Application, whichever is earlier.

10. 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. Establishing that all interests in the 320-acre wellbore spacing unit on the Application Lands which are not otherwise voluntarily pooled or deemed non-consenting interests be statutorily pooled pursuant to the terms of C.R.S. § 34-60-116 and, further, made subject to the terms provided for therein.

B. Establishing that the effective date of the Commission's statutory pooling order issued with respect to this Application shall be retroactive to the earliest date costs are incurred for the McCarthy Federal 1-12 HZ Well as allowed by C.R.S. § 34-60-116, or the date of this Application, whichever is earlier.

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

DATED this ___ day of July, 2011.

Respectfully submitted,

KERR-MCGEE OIL & GAS ONSHORE LP

By: _____

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

Applicant's Address:
1099 18th Street, Suite 1800
Denver, Colorado 80202

VERIFICATION

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

Nancy McDonald, of lawful age, being first duly sworn upon oath, deposes and says that she is Staff Landman for Kerr-McGee Oil & Gas Onshore LP 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.

Name: _____

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

Witness my hand and official seal.

[SEAL]

My commission expires: _____

Notary Public

EXHIBIT A
Interested Parties

LESSORS

Dinner Family Farm, LLC
210 Clayton Street, Suite 1
Denver, CO 80206

Kerr-McGee Oil & Gas Onshore LP
1099 18th Street, Suite 1800
Denver, CO 80202

Kathryn Sue Printz
22357 County Road #37
Lasalle, CO 80645

Chris Gene Stromberger
17815 County Road #46
Lasalle, CO 80645

The Arden C. Stromberger Trust
4902 W 29 Street, No. 12B
Greeley, CO 80634

Linda Ann Conrad
6305 W 6th Avenue, No. C-20
Lakewood, CO 80214-2359

Doyle McCarthy
229 E. Union Avenue
Lasalle, CO 80645

Maryann Lozoya
820 Meeker Street
Fort Morgan, CO 80701

U.S.A. Department of Interior, BLM
Box 5640
Denver, CO 80217

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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 Kerr-McGee Oil & Gas Onshore LP, that on or before July ____, 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 July ____ 2011.

Witness my hand and official seal.

My commission expires: _____.

Notary Public