

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)
AN ORDER POOLING ALL NONCONSENTING)
OR OTHERWISE NOT VOLUNTARILY)
POOLED INTERESTS IN THE GREENHORN)
AND GRANEROS FORMATIONS IN A 320-)
ACRE DRILLING AND SPACING UNIT)
LOCATED IN THE WATTENBERG FIELD,)
WELD COUNTY, COLORADO

Cause No. _____

Docket No. _____

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 drilling and spacing unit for the drilling of a well to produce oil, gas, and associated hydrocarbons from the Greenhorn and Graneros Formations located in the N $\frac{1}{2}$ S $\frac{1}{2}$, S $\frac{1}{2}$ N $\frac{1}{2}$ of Section 26, Township 3 North, Range 68 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 3 North, Range 68 West, 6th P.M.
Section 26: N $\frac{1}{2}$ S $\frac{1}{2}$, S $\frac{1}{2}$ N $\frac{1}{2}$

Weld County, Colorado ("Application Lands").

3. The Application Lands are unspaced and are subject to 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.

4. Applicant, 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 Greenhorn and Graneros Formations underlying the Application Lands.

5. Applicant plans to drill one (1) horizontal well on the Application Lands. The Douthit 32-26HZ Well ("Douthit 32-26HZ Well") has a proposed surface hole location of 2279' FSL and 330' FEL (NE $\frac{1}{4}$ SE $\frac{1}{4}$) of Section 26, Township 3 North, Range 68 West and a proposed bottomhole location of 2320' FSL and 470' FWL of Section 26, Township 3 North, Range 68 West. The surface location for the Douthit 32-26HZ Well is not located within an established drilling window pursuant to Commission Rule 318A.a, however, Applicant holds an approved Application for Permit to Drill for the Douthit 32-26HZ Well and has a surface use agreement from the surface owner. A Well Location Certificate is attached hereto.

6. Contemporaneous with the filing of this Application, Applicant is filing an application to establish a 320-acre drilling and spacing unit for the Application Lands.

7. Exhibit A attached hereto lists all consenting and not otherwise voluntarily pooled interest owners in the 320-acre drilling and spacing unit together with their addresses.

8. Applicant requests that the Commission's involuntary pooling order, and all costs associated with the Douthit 32-26HZ Well and this involuntary pooling, issued with respect to this Application be retroactive to the earliest date costs are incurred for the Douthit 32-26HZ Well as allowed by C.R.S. § 34-60-116(7), or the date of this Application, whichever is earlier.

9. 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. That all interest owners in the 320-acre drilling and spacing unit on the Application Lands which are not voluntarily pooled be involuntarily pooled pursuant to the terms provided for under C.R.S. § 34-60-116 and, further, made subject to the terms and penalties provided for therein.

B. That the effective date of the COGCC's involuntary pooling order, and all costs associated with the Douthit 32-26HZ Well and this involuntary pooling issued with respect to this Application, shall be retroactive to the earliest date costs are incurred for the Douthit 32-26HZ Well as allowed by C.R.S. § 34-60-116(7), 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 May, 2011.

Respectfully submitted,

KERR-MCGEE OIL & GAS ONSHORE LP

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

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

VERIFICATION

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

 Matt Miller, of lawful age, being first duly sworn upon oath, deposes and says that he is Land Manager for Kerr-McGee Oil & Gas Onshore LP and that he has read the foregoing Application and that the matters therein contained are true to the best of my knowledge, information and belief.

Title: Land Manager
Kerr-McGee Oil & Gas Onshore LP

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

Witness my hand and official seal.

[SEAL]

My commission expires: _____

Notary Public

EXHIBIT A
Interested Parties

Glen Douthit (not voluntarily pooled)
4886 State Highway 66
Longmont, CO 80504

William Edwards Trust – Bank of the West (not voluntarily pooled)
ATTN: Susie Roh
600 17th Street, Suite 1500
Denver, CO 80202

Robert and Diane Rademacher (not voluntarily pooled)
13728 I-25 Frontage Road
Longmont, CO 80504

L&J Land LLC (consenting)
13184 WCR 13
Longmont, CO 80504

Robert and Janis Rademacher (voluntarily pooled)
13774 East I25 Frontage Road
Longmont, CO 80504

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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 May ____, 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 May ____ 2011.

Witness my hand and official seal.

My commission expires: _____.

Notary Public