

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 INTERESTS IN A )  
320-ACRE WELLBORE SPACING UNIT FOR )  
THE NIOBRARA FORMATION LOCATED IN )  
W $\frac{1}{2}$ W $\frac{1}{2}$  OF SECTION 33 AND THE E $\frac{1}{2}$ E $\frac{1}{2}$  OF )  
SECTION 32, TOWNSHIP 3 NORTH, RANGE )  
66 WEST, 6<sup>TH</sup> P.M, 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 for the development of the Niobrara Formation on the following described 320-acre wellbore spacing unit:

Township 3 North, Range 66 West, 6<sup>th</sup> P.M.

Section 33: W $\frac{1}{2}$ W $\frac{1}{2}$

Section 32: E $\frac{1}{2}$ E $\frac{1}{2}$

Weld County, Colorado

(hereinafter, the "Application Lands").

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; is duly authorized to conduct business in the State of Colorado; and is a registered operator in good standing with the Commission.
2. Applicant owns certain leasehold interests in the Application lands requested for pooling.
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.
4. On April 27, 1998, the Commission adopted Rule 318A, which, among other things, 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. On December 5, 2005, Rule 318A was amended to allow interior infill and boundary

wells to be drilled and wellbore spacing units to be established. The lands encompassing the wellbore spacing unit are subject to this Rule for the Niobrara Formation.

5. Applicant designated a 320-acre Wellbore Spacing Unit, as defined below, for the production of oil, gas, and associated hydrocarbons from the Niobrara Formation pursuant to Rule 318A. and notified the appropriate parties under Rule 318A.

6. Applicant, pursuant to the provisions of C.R.S. § 34-60-116 (6) & (7) seeks an order pooling all interests for the development of the Niobrara Formation, including any nonconsenting interests therein, for the Weiss 31N-33HZ (the "Well"). A well location certificate is attached. Applicant is the 100% leasehold owner in the Niobrara Formation in the following described 320-acre wellbore spacing unit:

Township 3 North, Range 66 West, 6<sup>th</sup> P.M.

Section 33: W $\frac{1}{2}$ W $\frac{1}{2}$

Section 32: E $\frac{1}{2}$ E $\frac{1}{2}$

Weld County, Colorado

(hereinafter, the "Wellbore Spacing Unit").

Said order to apply to the currently-allowed well and any subsequent well drilled in the Wellbore Spacing Unit.

7. Applicant requests that the Commission's pooling order be made effective as of the earlier of the date of this Application, or the date that the costs specified in C.R.S. § 34-60-116(7)(b)(II) are first incurred for the drilling of the Well to the Niobrara Formation on the Application Lands.

8. Applicant certifies that copies of this Application will be served on all persons owning an interest in the mineral estate of the tracts to be pooled within seven (7) days of the date hereof, as required by Rule 507.b(2). The list of such interested parties is attached hereto as Exhibit A.

9. That in order to prevent waste and to protect correlative rights, all interests in the Application Lands should be pooled for the orderly development of the Niobrara Formation, as applicable, including any nonconsenting interests therein.

WHEREFORE, Applicant requests that this matter be set for hearing at the next available opportunity, that notice be given as required by law, and that upon such hearing, the Commission enter its order:

A. Pooling all interests for the development of the Niobrara Formation for the 320-acre Wellbore Spacing Unit, including any nonconsenting interests therein, for the currently-allowed Well and all subsequent wells drilled to said formations.

B. Providing that the Commission's pooling order is made effective as of the earlier of the date of this Application, or the date that the costs specified in C.R.S. § 34-60-116(7)(b)(II) are first incurred for the drilling of any well in the Wellbore Spacing Unit to the Niobrara Formation.

C. Providing that the interests of any owners with whom the Applicant has been unable to secure a lease or other agreement to participate in the drilling of the authorized horizontal well are pooled by operation of statute, pursuant to C.R.S. § 34-60-116(6) and (7), with respect to all wells drilled to develop the Niobrara Formation in the Wellbore Spacing Unit on the Application Lands.

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

WHEREFORE, Applicant respectfully requests that this matter be set for hearing in March, 2012, that notice be given as required by law, and that upon such hearing, the Commission enter its order consistent with Applicant's request as set forth above.

DATED this \_\_\_ day of February, 2012.

Respectfully submitted:

KERR-MCGEE OIL & GAS ONSHORE LP

By:

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

Applicant's Address:

Kerr-McGee Oil & Gas Onshore LP  
ATTN: Dave Sullivan  
1099 18<sup>th</sup> Street, Suite 1800  
Denver, Colorado 80202

VERIFICATION

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

Dave Sullivan, of lawful age, being first duly sworn upon oath, deposes and says that he is a Senior Landman 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 his knowledge, information and belief.

\_\_\_\_\_  
Dave Sullivan, Senior Landman

Subscribed and sworn to before this \_\_\_\_ day of February, 2012.

Witness my hand and official seal.

[SEAL]

My commission expires: \_\_\_\_\_

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

**EXHIBIT A**  
**Interested Parties**

The Estate of Dolores Jean  
Karich  
c/o Charlie Wilson as person  
representative  
2420 Agate Drive  
Loveland, CO 80538

Herman Farms, LLC  
12994 Weld County Road 28  
Platteville, CO 80651

Violet DeGabain  
204 Poudre Canyon Highway  
Bellvue, CO 80512

Delmer Dever  
PO Box 334  
Platteville, CO 80651

Dorothy May and Leslie R.  
Thorson  
506 Yakima Court  
Brighton, CO 80603

Elsie Lillie Dawirs  
1949 Sunrise Drive, Unit A  
Montrose, CO 81401

Kenneth Roy Dever  
0989 County Road 4  
Wiggins, CO 80654

Keith Loren Dever  
2506 Suncrest Drive  
Loveland, CO 80537

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

Anadarko Land Corp.,  
subject to leasehold rights held  
by Anadarko E & P Company,  
LP  
1099 18<sup>th</sup> Street, Suite 1800  
Denver, CO 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 Kerr-McGee Oil & Gas Onshore LP, that on or before February \_\_\_\_, 2012, 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 February \_\_\_\_ 2012.

Witness my hand and official seal.

My commission expires: \_\_\_\_\_.

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