

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

IN THE MATTER OF THE **AMENDED** )  
APPLICATION OF KERR-MCGEE OIL & GAS )  
ONSHORE LP FOR AN ORDER POOLING )  
ALL INTERESTS IN THE CODELL AND )  
NIOBRARA FORMATIONS IN THREE 400- )  
ACRE AND TWO 200-ACRE DESIGNATED )  
WELLBORE SPACING UNITS LOCATED IN )  
SECTIONS **20, 21** 28, AND 29, TOWNSHIP 1 )  
NORTH, RANGE 67 WEST, 6TH P.M. IN THE )  
WATTENBERG FIELD, WELD COUNTY, )  
COLORADO )

Cause No. 407

Docket No. 1302-UP-43

**AMENDED 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 within three designated 400-acre wellbore spacing units and two 200-acre wellbore spacing units to produce oil, gas, and associated hydrocarbons from the Codell and Niobrara Formations for the following described lands:

**Howard 30C-28HZ Well, API No. 05-123-36788:**

Township 1 North, Range 67 West, 6th P.M.  
**Section 20:** SE $\frac{1}{4}$ SE $\frac{1}{4}$  ("WSU#1")  
**Section 21:** SW $\frac{1}{4}$ SW $\frac{1}{4}$   
Section 28: W $\frac{1}{2}$ W $\frac{1}{2}$   
Section 29: E $\frac{1}{2}$ E $\frac{1}{2}$

**Howard 29C-28HZ Well, API No. 05-123-36786:**

Township 1 North, Range 67 West, 6th P.M.  
**Section 21:** S $\frac{1}{2}$ SW $\frac{1}{4}$  ("WSU#2")  
Section 28: W $\frac{1}{2}$

**Howard 29N-28HZ Well, API No. 05-123-36790:**

Township 1 North, Range 67 West, 6th P.M.  
**Section 21:** S $\frac{1}{2}$ SW $\frac{1}{4}$  ("WSU#3")  
Section 28: W $\frac{1}{2}$

**Howard 4C-28HZ Well, API No. 05-123-36789:**

Township 1 North, Range 67 West, 6th P.M.

**Section 21:** SW $\frac{1}{4}$ SW $\frac{1}{4}$  ("WSU#4")

Section 28: W $\frac{1}{2}$ W $\frac{1}{2}$

**Howard 4N-28HZ Well, API No. 05-123-36791:**

Township 1 North, Range 67 West, 6th P.M.

**Section 21:** SW $\frac{1}{4}$ SW $\frac{1}{4}$  ("WSU#5")

Section 28: W $\frac{1}{2}$ W $\frac{1}{2}$

Weld County, Colorado (together "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 interests in the 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, gas and associated hydrocarbons from the Niobrara Formation 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 Formations 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. On August 8, 2011, Rule 318A was again amended to, among other things, address drilling of horizontal wells. The Application Lands are subject to Rule 318A for the Codell and Niobrara Formations.
5. Pursuant to Rule 318A.e, Applicant designated three 400-acre wellbore spacing units for the **Howard 30C-28HZ Well**, the **Howard 29C-28HZ Well**, and the **Howard 29N-28HZ Well**, and two 200-acre wellbore spacing units for the **Howard 4C-28HZ Well** and the **Howard 4N-28HZ Well**, respectively, for the production of oil, gas, and associated hydrocarbons from Codell and Niobrara Formations. Applicant notified all owners in each proposed wellbore spacing unit pursuant to Rule 318A.e.(6), as applicable. Applicant did not receive any objections to the establishment of the proposed wellbore spacing units within the 30-day response period, and, as such, certifies to the Commission that it did not receive any objections to well location, proposed spacing unit, or proposed formations.
6. Applicant, pursuant to the provisions of C.R.S. § 34-60-116 (6) & (7) and Commission Rule 530, seeks an order pooling all interests, including but not limited to, any nonconsenting

interests, in the **Howard 30C-28HZ Well** for development and operation of the Codell Formation underlying the following designated 400-acre wellbore spacing unit:

Township 1 North, Range 67 West, 6th P.M.

**Section 20:** SE $\frac{1}{4}$ SE $\frac{1}{4}$

**Section 21:** SW $\frac{1}{4}$ SW $\frac{1}{4}$

Section 28: W $\frac{1}{2}$ W $\frac{1}{2}$

Section 29: E $\frac{1}{2}$ E $\frac{1}{2}$

(WSU#1).

7. Applicant, pursuant to the provisions of C.R.S. § 34-60-116 (6) & (7) and Commission Rule 530, also seeks an order pooling all interests, including but not limited to, any nonconsenting interests, in the **Howard 29C-28HZ Well** for development and operation of the Codell Formation underlying the following designated 400-acre wellbore spacing unit:

Township 1 North, Range 67 West, 6th P.M.

**Section 21:** S $\frac{1}{2}$ SW $\frac{1}{4}$

Section 28: W $\frac{1}{2}$

(WSU#2).

8. Applicant, pursuant to the provisions of C.R.S. § 34-60-116 (6) & (7) and Commission Rule 530, also seeks an order pooling all interests, including but not limited to, any nonconsenting interests, in the **Howard 29N-28HZ Well** for development and operation of the Niobrara Formation underlying the following designated 400-acre wellbore spacing unit:

Township 1 North, Range 67 West, 6th P.M.

**Section 21:** S $\frac{1}{2}$ SW $\frac{1}{4}$

Section 28: W $\frac{1}{2}$

(WSU#3).

9. Applicant, pursuant to the provisions of C.R.S. § 34-60-116 (6) & (7) and Commission Rule 530, also seeks an order pooling all interests, including but not limited to, any nonconsenting interests, in the **Howard 4C-28HZ Well** for development and operation of the Codell Formation underlying the following designated 200-acre wellbore spacing unit:

Township 1 North, Range 67 West, 6th P.M.

**Section 21:** SW $\frac{1}{4}$ SW $\frac{1}{4}$

Section 28: W $\frac{1}{2}$ W $\frac{1}{2}$

(WSU#4).

10. Applicant, pursuant to the provisions of C.R.S. § 34-60-116 (6) & (7) and Commission Rule 530, also seeks an order pooling all interests, including but not limited to, any nonconsenting interests, in the **Howard 4N-28HZ Well** for development and operation of the Niobrara Formation underlying the following designated 200-acre wellbore spacing unit:

Township 1 North, Range 67 West, 6th P.M.

**Section 21: SW $\frac{1}{4}$ SW $\frac{1}{4}$**

**Section 28: W $\frac{1}{2}$ W $\frac{1}{2}$**

(WSU#5).

11. Applicant requests that the Commission's pooling order be made effective as of the earlier of the **original December 13, 2012 filing date of the 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 **Howard 29N-28HZ Well, the Howard 30C-28HZ Well, the Howard 30N-28HZ Well, the Howard 29C-28HZ Well, the Howard 4C-28HZ Well, and the Howard 4N-28HZ Well** (collectively "Wells") to the Codell and Niobrara Formations, as applicable.

12. 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), and that at least thirty (30) days prior to the hearing on this matter, each such interest owner not already leased or voluntarily pooled will be offered the opportunity to lease, or to participate in the drilling of the Wells and will be provided with the information required by Rule 530 as applicable. The list of such interested parties is attached hereto as Exhibit A.

13. That in order to prevent waste and to protect correlative rights, all interests in WSU#1 through WSU#5 be pooled for the orderly development of the Codell and Niobrara Formations 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 in the **Howard 30C-28HZ Well** and WSU#1 for the development of the Codell Formation.

B. Providing that the Commission's pooling order with respect to WSU#1 is made effective as of the earlier of the **original December 13, 2012 filing date of the 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 WSU#1 to the Codell 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 **Howard 30C-28HZ Well** are pooled by operation of statute, pursuant to C.R.S. § 34-60-116(6) and (7), and made subject to the cost recovery provisions thereof with respect to all wells drilled to develop the Codell Formation WSU#1.

D. Pooling all interests in the **Howard 29C-28HZ Well** and WSU#2 for the development of the Codell Formation.

E. Providing that the Commission's pooling order with respect to WSU#2 is made effective as of the earlier of the **original December 13, 2012 filing date of the 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 WSU#2 to the Codell Formation.

F. 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 **Howard 29C-28HZ Well** are pooled by operation of statute, pursuant to C.R.S. § 34-60-116(6) and (7), and made subject to the cost recovery provisions thereof with respect to all wells drilled to develop the Codell Formation in WSU#2.

G. Pooling all interests in the **Howard 29N-28HZ Well** and WSU#3 for the development of the Niobrara Formation.

H. Providing that the Commission's pooling order with respect to WSU#3 is made effective as of the earlier of the **original December 13, 2012 filing date of the 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 WSU#3 to the Niobrara Formation.

I. 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 **Howard 29N-28HZ Well** are pooled by operation of statute, pursuant to C.R.S. § 34-60-116(6) and (7), and made subject to the cost recovery provisions thereof with respect to all wells drilled to develop the Niobrara Formation WSU#3.

J. Pooling all interests in the **Howard 4C-28HZ Well** and WSU#4 for the development of the Codell Formation.

K. Providing that the Commission's pooling order with respect to WSU#4 is made effective as of the earlier of the **original December 13, 2012 filing date of the 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 WSU#4 to the Codell Formation.

L. 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 **Howard 4C-28HZ Well** are pooled by operation of statute, pursuant to C.R.S. § 34-60-116(6) and (7), and made subject to the cost recovery provisions thereof with respect to all wells drilled to develop the Codell Formation WSU#4.

M. Pooling all interests in the **Howard 4N-28HZ Well** and WSU#5 for the development of the Niobrara Formation.

N. Providing that the Commission's pooling order with respect to WSU#5 is made effective as of the earlier of the **original December 13, 2012 filing date of the 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 WSU#5 to the Niobrara Formation.

O. 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 **Howard 4N-28HZ Well** are pooled by operation of statute, pursuant to C.R.S. § 34-60-116(6) and (7), and made subject to the cost recovery provisions thereof with respect to all wells drilled to develop the Niobrara Formation WSU#5.

P. 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** 2013, 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 **26th** day of **February 2013**.

Respectfully submitted,

**KERR-MCGEE OIL & GAS ONSHORE LP**

By: 

Jamie L. Jost

Elizabeth Y. Gallaway

Beatty & Wozniak, P.C.

Attorneys for Applicant

216 16th Street, Suite 1100

Denver, Colorado 80202

Address of Applicant

Kerr-McGee Oil & Gas Onshore LP

ATTN: Gordon R. Palmer

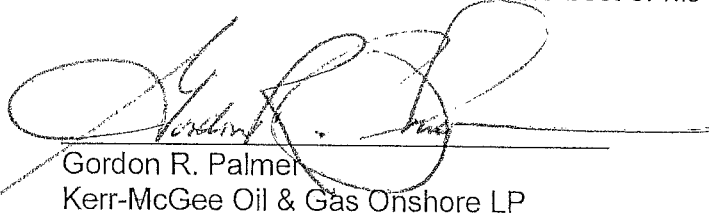
1099 18<sup>th</sup> Street, Suite 1800

Denver, Colorado 80202

VERIFICATION

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

Gordon R. Palmer, of lawful age, being first duly sworn upon oath, deposes and says that he is Staff 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.

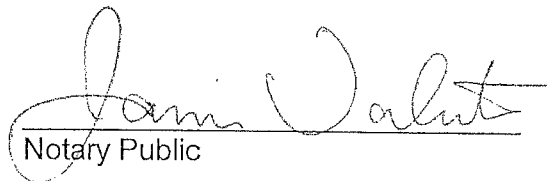
  
Gordon R. Palmer  
Kerr-McGee Oil & Gas Onshore LP

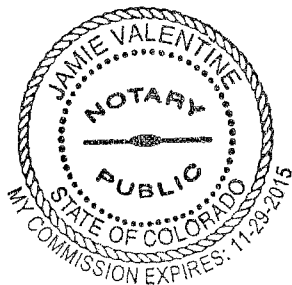
Subscribed and sworn to before this 25<sup>th</sup> day of February 2013.

Witness my hand and official seal.

[SEAL]

My commission expires: 11/29/15

  
Notary Public





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 )  
THE CODELL AND NIOBRARA FORMATIONS )  
IN THREE 400-ACRE AND TWO 200-ACRE )  
DESIGNATED WELLBORE SPACING UNITS )  
LOCATED IN SECTIONS 28, 29, 32, AND 33, )  
TOWNSHIP 1 NORTH, RANGE 67 WEST, IN )  
THE WATTENBERG FIELD, WELD COUNTY, )  
COLORADO )

Cause No. 407

Docket No. 1302-UP-43

**SECOND SUPPLEMENTAL AFFIDAVIT OF MAILING**

STATE OF COLORADO )  
CITY AND COUNTY OF DENVER )

Elizabeth Y. Gallaway, of lawful age, and being first duly sworn upon her oath, states and declares:

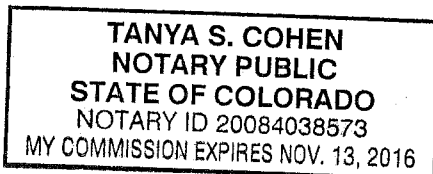
That she is the attorney for Kerr-McGee Oil & Gas Onshore, LP and that on or before March 1, 2013, she caused a copy of the attached Amended Application to be deposited in the United States Mail, postage prepaid, addressed to the additional interested parties listed on the attached Exhibit A:

  
Elizabeth Y. Gallaway

Subscribed and sworn to before me on February 27, 2013.

Witness my hand and official seal.

My commission expires: 11/13/2016.



  
Notary Public

**EXHIBIT A**

Melvin Dinner and H. Michael Miller,  
Trustees of the Joe Miller Liquidating Trust,  
Dated December 24, 1992  
822 7<sup>th</sup> Street, #540  
Greeley, CO 80631

Patricia Lynne Lorie Trust  
C/O Robert L. Mueller, VP  
AMG National Trust Bank  
1155 Canyon Boulevard, #310  
Boulder, CO 80302

Patricia Lynne Lorie  
1900 E. Girard Place, #908  
Englewood, CO 80113

Lee S. Silensky  
71 York Street  
Denver, CO 80206

Andrea G. Vertner  
16104 Stone Briar Drive  
Parker, CO 80134

Claire L. Bray  
5720 South Kenton Way  
Englewood, CO 80111

Jerome W. Karsh  
650 South Cherry Street, #500  
Denver, CO 80246

Harvey B. Karsh  
400 South Steele Street, #20  
Denver, CO 80209

Anadarko E&P Onshore LLC  
1099 18<sup>th</sup> Street, Suite 1800  
Denver, CO 80202

Terry J. Allan  
12426 West 16<sup>th</sup> Place  
Lakewood, CO 80215

Cherie L. MacDonald  
15437 6200 Road  
Montrose, CO 81403

Tamera L. Edelman  
1209 Elizabeth Street, #1A  
Denver, CO 80206

Edith H. Hageman  
6718 West Hinsdale Avenue  
Littleton, CO 80123

The Estate of Larry Smith  
C/O Iris Smith  
432 South 1<sup>st</sup> Avenue  
Norton, KS 67654

Jon R. Smith aka John S. Smith  
HC1 Box 68,  
Clayton, KS 67629

Alvin Smith  
201 West Crane  
Norton, KS 67654

Vern Smith  
2611 East Grandview Road  
Phoenix, AZ 85078

Arline King aka Arline C. King  
PO Box 54473  
Phoenix, AZ 85078

The Estate of Billie H. Smith  
1006 Kenney Drive, #A  
Norton, KS 67654

Robert L. Arrington  
60 Willow Creek Court  
Parachute, CO 81635

Melinda D. Way and Beverly Tipton Sherman  
As Personal Representatives of the Estate of Minna E.  
Swain  
2765 South Mabry Way  
Denver, CO 80236

Lorraine Frost  
824 South Hoyt Street  
Denver, CO 80226

Laurie Ulner  
1221 S E Godsey Road, #11  
Dallas, OR 97338

Laurie Ulner  
15535 Ferns Corner  
Dallas, OR 97338

Kathleen Collins  
15535 Ferns Corner  
Dallas, OR 97338

The Estate of Beverley O'Connor  
1221 S E Godsey Road, #11  
Dallas, OR 97338

The Estate of Beverley O'Connor  
15535 Ferns Corner  
Dallas, OR 97338

Robert O'Connor  
8021 Longdale  
Lemon Grove, CA 91945

Colleen Bush aka Colleen M. Bush  
8726 Ellsworth Circle  
Santee, CA 82071

John Patrick Duffy aka John P. Duffy  
PO Box 1307  
Kaunakakai, HI 96748-9999

The Estate of P.E. O'Connor  
C/O Mark Dennis O'Connor  
4059 Cortez Way  
Spring Valley, CA 91977

Marjorie Lee Fisher  
14500 North Frank L. Wright Boulevard, #359  
Scottsdale, AZ 85260

The Estate of Harriet W. Lucke  
Marjorie Lee Fisher  
14500 North Frank L. Wright Boulevard, #359  
Scottsdale, AZ 85260

The Estate of Elizabeth C. Walsh  
Marjorie Lee Fisher  
14500 North Frank L. Wright Boulevard, #359  
Scottsdale, AZ 85260

Nancy H. Fichter and Alvin Keith Fichter  
8706 Weld County Road 8  
Brighton, CO 80603

Tanya Lockman-Leeper  
7253 Weld County Road 6  
Brighton, CO 80603

Noble Energy, Inc.  
1625 Broadway, Suite 2000  
Denver, CO 80202

Martin J. Harrington, Jr.  
2236 S. Jackson Street  
Denver, CO 80210

Encana Oil & Gas (USA) Inc.  
370 17th Street, Suite 1700  
Denver, CO 80202