

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 TO POOL ALL INTERESTS IN)
FIVE APPROXIMATE 200-ACRE TO 400-)
ACRE DESIGNATED WELLBORE SPACING)
UNITS LOCATED IN SECTIONS 1, 2, 11 AND)
12, TOWNSHIP 1 NORTH, RANGE 66 WEST,)
FOR THE CODELL AND NIOBRARA)
FORMATIONS, 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 within two designated 200-acre wellbore spacing units and three 400-acre wellbore spacing units to produce oil, gas, and associated hydrocarbons from the Codell and Niobrara Formations for the following described lands:

Highway 160 38N-2HZ Well (API No. Pending):

Township 1 North, Range 66 West, 6th P.M.

Section 1: $W\frac{1}{2}W\frac{1}{2}$ ("WSU#1" – 400-acres)

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

Section 11: $NE\frac{1}{4}NE\frac{1}{4}$

Section 12: $NW\frac{1}{4}NW\frac{1}{4}$

Highway 160 16C-2HZ Well (API No. Pending):

Township 1 North, Range 66 West, 6th P.M.

Section 2: $E\frac{1}{2}E\frac{1}{2}$ ("WSU#2" – 200-acres)

Section 11: $NE\frac{1}{4}NE\frac{1}{4}$

Highway 160 37N-2HZ Well (API No. Pending):

Township 1 North, Range 66 West, 6th P.M.

Section 2: $E\frac{1}{2}$ ("WSU#3" – 400-acres)

Section 11: $N\frac{1}{2}NE\frac{1}{4}$

Highway 160 15C-2HZ Well (API No. Pending):

Township 1 North, Range 66 West, 6th P.M.

Section 2: $E\frac{1}{2}W\frac{1}{2}, W\frac{1}{2}E\frac{1}{2}$ ("WSU#4" – 400-acres)

Section 11: $NW\frac{1}{4}NE\frac{1}{4}, NE\frac{1}{4}NW\frac{1}{4}$

Highway 106 15N-2HZ Well (API No. Pending):

Township 1 North, Range 66 West, 6th P.M.

Section 2: W $\frac{1}{2}$ E $\frac{1}{2}$ ("WSU#5" – 200-acres)

Section 11: NW $\frac{1}{4}$ NE $\frac{1}{4}$

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 entered 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 two 200-acre wellbore spacing units for the, the Highway 160 16C-2HZ Well, the Highway 160 15N-2HZ Well and three 400-acre wellbore spacing units for the Highway 160 38N-2HZ Well, Highway 160 37N-2HZ Well, and Highway 160 15C-2HZ 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 Highway 160 38N-2HZ Well for development and operation of the Niobrara Formation underlying the following designated 400-acre wellbore spacing unit:

Township 1 North, Range 66 West, 6th P.M.

Section 1: $W\frac{1}{2}W\frac{1}{2}$ ("WSU#1" – 400-acres)

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

Section 11: $NE\frac{1}{4}NE\frac{1}{4}$

Section 12: $NW\frac{1}{4}NW\frac{1}{4}$

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 Highway 160 16C-2HZ Well for development and operation of the Codell Formation underlying the following designated 200-acre wellbore spacing unit:

Township 1 North, Range 66 West, 6th P.M.

Section 2: $E\frac{1}{2}E\frac{1}{2}$ ("WSU#2" – 200-acres)

Section 11: $NE\frac{1}{4}NE\frac{1}{4}$

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 Highway 160 37N-2HZ Well for development and operation of the Niobrara Formation underlying the following designated 400-acre wellbore spacing unit:

Township 1 North, Range 66 West, 6th P.M.

Section 2: $E\frac{1}{2}$ ("WSU#3" – 400-acres)

Section 11: $N\frac{1}{2}NE\frac{1}{4}$

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 Highway 160 15C-2HZ Well for development and operation of the Codell Formation underlying the following designated 400-acre wellbore spacing unit:

Township 1 North, Range 66 West, 6th P.M.

Section 2: $E\frac{1}{2}W\frac{1}{2}, W\frac{1}{2}E\frac{1}{2}$ ("WSU#4" – 400-acres)

Section 11: $NW\frac{1}{4}NE\frac{1}{4}, NE\frac{1}{4}NW\frac{1}{4}$

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 Highway 160 15N-2HZ Well for development and operation of the Niobrara Formation underlying the following designated 480-acre wellbore spacing unit:

Township 1 North, Range 66 West, 6th P.M.

Section 2: $W\frac{1}{2}E\frac{1}{2}$ ("WSU#5" – 200-acres)

Section 11: $NW\frac{1}{4}NE\frac{1}{4}$

11. 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 Highway 160 38N-2HZ Well, Highway 160 16C-2HZ Well, Highway 160 37N-2HZ Well, Highway 160 15C-2HZ Well, and Highway 106 15N-2HZ Well ("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 Highway 160 38N-2HZ Well and WSU#1 for the development of the Niobrara Formation.

B. Providing that the Commission's pooling order with respect to WSU#1 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 WSU#1 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 Highway 160 38N-2HZ 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#1.

D. Pooling all interests in the Highway 160 16C-2HZ 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 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 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 Highway 160 16C-2HZ 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 Highway 160 37N-2HZ 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 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 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 Highway 160 37N-2HZ 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 Highway 160 15C-2HZ 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 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 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 Highway 160 15C-2HZ 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 Highway 106 15N-2HZ 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 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 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 Highway 106 15N-2HZ 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 October 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 ____ day of August, 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: James Grant

1099 18th Street, Suite 1800

Denver, Colorado 80202

VERIFICATION

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

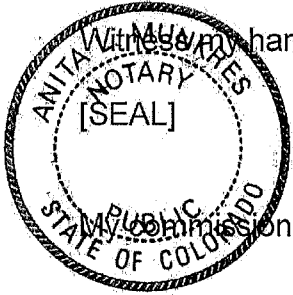
James Grant of lawful age, being first duly sworn upon oath, deposes and says that he is Staff Landman for Kerr-McGee Oil & Gas Onshore LP and that he has read the foregoing Application and that the matters therein contained are true to the best of his knowledge, information and belief.



James Grant
Kerr-McGee Oil & Gas Onshore LP

Subscribed and sworn to before this ____ day of August, 2013.

Witness my hand and official seal.



My commission expires:

8/8/2015



Notary Public

EXHIBIT A
Interested Parties

Highway 160 38N-2HZ, Highway 160 16C-2HZ, Highway 160 37N-2HZ,
Highway 160 15C-2HZ, Highway 160 15N-2HZ

Glenn F. Jesser
PO Box 543
Hudson, CO 80642.

Mekusukey Oil Company, LLC
PO Box 816
Wewoka, OK 74884

The Mary J. Jesser Family Trust
C/O Glenn F. Jesser, Trustee
PO Box 543
Hudson, CO 80642

Michael J. Maher
16076 Highway 52
Fort Lupton, CO 80621

Brown Legacy, LLLP, a Colorado
Limited Liability Limited Partnership
C/O Leta Mayvis Brown
1601 44th Avenue Court, Unit 1
Greeley, CO 80634

Tory L. Shaffer and Samantha Jo
Sweeney
16224 Highway 52
Fort Lupton, CO 80621

Fay E. Harvey aka Faye Harvey aka R.
Fay Harvey aka Faye E. Harvey
1400 Coronado Drive
Pampa, TX 79065-4601

Dale E. Rice and Theora M. Rice,
Trustees of
The Rice Family Trust dated October
20, 1997
15734 Parthenia Street
Sepulveda, CA 91343

Deborah Joy McQuitty, Individually and
as sole heir to parents Thelma Kyle and
Kenneth Kyle, and as sole heir to her
deceased brother Kenneth Lanning
Kyle, Jr.
3309 South Ash
Perryton, TX 79070

Larry F. Hobbs, Deceased, Personal
Representative of the Estate of James
R. Vawter, Deceased
C/O Don Vawter
20097 E. Vassar Avenue
Aurora, CO 80013

Martin Brothers, LLC, a Colorado
Limited Liability Company
216 Beth Avenue
Fort Lupton, CO 80621-1305

Mclrvn Brothers, Inc.
PO Box 12
Lehigh, KS 67073

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

Wells Fargo Bank, N.A.
Oil & Gas Dist
PO Box 5383
Denver, CO 80203

Alvin C. Elliott
321 N. 11th Street
Gunnison, CO 81230

Mary Ann Plonka
16230 Highway 52
Fort Lupton, CO 80621

Special needs Trust for the Benefit of
Georgia Belle McIrvine under the Last
Will and Testament of Lloyd C. McIrvine
dated September 12, 2000
C/O Mr. Ronald R. McIrvine, Trustee
1719 Forest Valley Road
Greensboro, NC 27410

Public Service Company of Colorado
Right of Way & Permits Dept
1800 Larimer St., Suite 400
Denver, CO 80202

The Estates of Russell L. Long,
deceased and Anna Faye Long,
deceased
Address Unknown

Jeffrey J. Jones
Address Unknown

James J. O'Dell
Address Unknown

Bayswater Exploration & Production,
LLC
730 17th Street, Suite 610
Denver, CO 80202

Bayswater Blenheim Holdings, LLC
730 17th Street, Suite 610
Denver, CO 80202

Noble Energy, Inc.
1625 Broadway, Suite 2200
Denver, CO 80202

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AFFIDAVIT OF MAILING

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

Danielle Carroll of lawful age, and being first duly sworn upon her oath, states and declares:

That she is a Legal Assistant at Beatty & Wozniak, P.C., attorneys for Kerr-McGee Oil & Gas Onshore LP, and on or before September 5, 2013, 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.



Danielle Carroll

Subscribed and sworn to before me August 28 2013.

Witness my hand and official seal.

My commission expires: 3/3/2015.



Notary Public.

MARY GRACE T. GO-HOVELAND
Notary Public
State of Colorado