## 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 TO POOL ALL INTERESTS IN	)
TWO APPROXIMATE 320-ACRE	) Docket No.
DESIGNATED WELLBORE SPACING UNITS	)
LOCATED IN SECTION 36, TOWNSHIP 3	)
NORTH, RANGE 67 WEST, 6 <sup>th</sup> P.M., FOR THE	)
CODELL AND NIOBRARA FORMATIONS,	)
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 within two designated 320-acre wellbore spacing units to produce oil, gas, and associated hydrocarbons from the Codell and Niobrara Formations for the following described lands:

Wirkner-Vance 29N-36HZ (API No. 05-123-37881):

Township 3 North, Range 67 West, 6th P.M. Section 36: W½ ("WSU#1")

Wirkner-Vance 29C-36HZ (API No. 05-123-37886):

<u>Township 3 North, Range 67 West, 6th P.M.</u>
Section 36: W½ ("WSU#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 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 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 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 320-acre wellbore spacing units for the, the Wirkner-Vance 29N-36HZ Well and the Wirkner-Vance 29C-36HZ Well 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 Wirkner-Vance 29N-36HZ Well for development and operation of the Niobrara Formation underlying the following designated 320-acre wellbore spacing unit:

Township 3 North, Range 67 West, 6th P.M. Section 36: W½ ("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 Wirkner-Vance 29C-36HZ Well for development and operation of the Codell Formation underlying the following designated 320-acre wellbore spacing unit:

Township 3 North, Range 67 West, 6th P.M. Section 36: W½ ("WSU#2")

- 8. 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 Wirkner-Vance 29N-36HZ Well in WSU #1 and the Wirkner-Vance 29C-36HZ Well in WSU #2 to the Codell and Niobrara Formations, as applicable.
- 9. 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.
- 10. That in order to prevent waste and to protect correlative rights, all interests in WSU#1 and WSU#2 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 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 the Wirkner-Vance 29N-36HZ 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 Wirkner-Vance 29N-36HZ 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 the well drilled to develop the Niobrara Formation WSU#1.
- D. Pooling all interests in the Wirkner-Vance 29C-36HZ 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 Wirkner-Vance 29C-36HZ 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 Wirkner-Vance 29C-36HZ 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 the well drilled to develop the Codell Formation in WSU#2.
- G. For such other findings and orders as the Commission may deem proper or advisable in this matter.

DATED this day of October, 2013.

Respectfully submitted,

KERR-MCGEE/OIL & GAS ONSHORE LP

By:

Michael J. Wozniak

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: Jason Rayburn
1099 18<sup>th</sup> Street, Suite 1800
Denver, Colorado 80202

### **VERIFICATION**

STATE OF COLORADO )		
) ss. CITY AND COUNTY OF DENVER)		
Jason Rayburn of lawful age, being first duly sworn upon oath, deposes and says that he is a Landman for Kerr-McGee Oil & Gas Onshore LR 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.		
Jason Rayburn		
Kerr-McGee Oil & Gas Onshore LP		
Subscribed and sworn to before this 14 day of October, 2013.		
Witness my hand and official seal		
[SEAL]		
My commission expires ON EXPIRES: 12.18		
Notary Public		

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IN THE MATTER OF THE APPLICATION OF KERR-MCGEE OIL & GAS ONSHORE LP FOR AN ORDER TO POOL ALL INTERESTS IN TWO APPROXIMATE 320-ACRE DESIGNATED WELLBORE SPACING UNITS LOCATED IN SECTION 36, TOWNSHIP 3 NORTH, RANGE 67 WEST, 6 <sup>th</sup> P.M., FOR THE CODELL AND NIOBRARA FORMATIONS, WATTENBERG FIELD, WELD COUNTY, COLORADO	)
AFFIDAVIT	OF MAILING
STATE OF COLORADO )	
)ss. CITY AND COUNTY OF DENVER )	
Jennifer L. Pittenger of lawful age, and I declares:	being first duly sworn upon her oath, states and
Gas Onshore LP, and on or before October 24th,	Wozniak, P.C., attorneys for Kerr-McGee Oil & 2013, caused a copy of the attached Application tage prepaid, addressed to the parties listed on
Je	ennifer L. Pittenger
Subscribed and sworn to before me Octob	er 17 2013.
Witness my hand and official seal.	
My commission expires:  TERESA L. PETERSON NOTARY PUBLIC STATE OF COLORADO NOTARY ID 19894002026 NY COMMISSION EXPIRES OCT.4, 2017	Jerusa Afferson otary Public

# EXHIBIT A Interested Parties

Magness Land Holdings, LLC 1200 17<sup>th</sup> street, Suite 600 Denver, CO 80202

Kevin G. Nishimoto and Kristine G. Hamai 12716 Weld County Road 23 Fort Lupton, CO 80621

George Phillip Sandlin and Billie Charlene Sandlin 13500 Weld County Road 6 Fort Lupton, CO 80621

Scott Brewer 5003 Enclave Court McKinney, TX 75070

Michael D. Brewer 1720 58<sup>th</sup> Ave Greeley, CO 80634

Barry K. Powell 1052 Park Avenue Fort Lupton, CO 80621

Sharon Kay Ceretto, JT 201 Second Street Fort Lupton, CO 80621

Harry Nishimoto and June Greenwood 378 High Street Souderton, PA 18964

Anadarko E&P Onshore LLC 1099 18<sup>th</sup> Street, Suite 1800 Denver, CO 80202 Charlotte Louise Poland 18938 Weld County Road 22 Fort Lupton, CO 80621

Virginia Ruby Burson 951 17<sup>th</sup> Avenue, #68 Longmont, CO 80501

Beverly Jean Johnston 18 Empson Drive Longmont, CO 80501

llene Marie Kmoch 2309 15<sup>th</sup> Avenue Longmont, CO 80501

Willene Rae Kohler 9874 Grove Street, #C Westminster, CO 80030

Boulder and White Rocky Ditch Company P. O. Box 1826 Longmont, CO 80502

Michelle H. Slocum 4227 Larkspur Road Evans, CO 80620

Michael T. Nishimoto 10412 Wild Flower Gulley Las Vegas, NV 89178

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

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SUPPLEMENTAL AFFIDAVIT OF MAILING		
STATE OF COLORADO )	· et	
)ss. CITY AND COUNTY OF DENVER )		
Elizabeth Y. Gallaway, of lawful age, and declares:	d being first duly sworn upon her oath, states and	

That she is the attorney for Kerr-McGee Oil & Gas Onshore, LP and that on or before October 30, 2013 she caused a copy of the above-captioned Application to be deposited in the United States Mail, postage prepaid, addressed to the party listed below:

Willene Kohler 8827 E. 151<sup>st</sup> Court Thornton, CO 80602

Elizabeth Y. Gallaway

Subscribed and sworn to before me October JD, 2013.

Witness my hand and official seal.

TERESA L. PETERSON NOTARY PUBLIC STATE OF COLORADO

NOTARY ID 19894002026 MY COMMISSION EXPIRES OCT.4, 2017

Notary Public

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SECOND SUPPLEMENTA	L AFFIDAVIT OF MAILING
STATE OF COLORADO )	
)ss. CITY AND COUNTY OF DENVER )	
Elizabeth Y. Gallaway, of lawful age, and declares:	being first duly sworn upon her oath, states and
That she is the attorney for Kerr-McGee November 1, 2013 she caused a copy of the abounded United States Mail, postage prepaid, addressed to	Oil & Gas Onshore, LP and that on or before ove-captioned Application to be deposited in the the party listed on the attached Exhibit A.
Éli	zabeth Y. Gallaway
Subscribed and sworn to before me Octobe	∕ er <u>31</u> , 2013.
Witness my hand and official seal.	
TERESA L. PETERSON NOTARY PUBLIC STATE OF COLORADO NOTARY ID 19894002026 MY COMMISSION EXPIRES OCT.4, 2017	Leva Halus otary Public

#### Exhibit A

Kevin G. Nishimoto 12290 Weld County Road 23 Fort Lupton, CO 80621

Kristine G. Hamai 12620 West Gould Drive Littleton, CO 80127

George Phillip Sandlin and Billie Charlene Sandlin 13317 Birch Circle Thornton, CO 80241

Harry Nishimoto 11010 SE 24th Place Bellevue, WA 98004 Ilene Marie Kmoch 4522 Lucca Drive Longmont, CO 80503

Michelle H. Slocum 712 10th Street Windsor, CO 80550

Michael T. Nishimoto 9249 Sterling Hill Avenue Las Vegas, NV 89148