

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**)
FOUR APPROXIMATE 240-ACRE TO 480-)
ACRE DESIGNATED WELLBORE SPACING)
UNITS LOCATED IN SECTIONS 2 AND 3,)
TOWNSHIP 1 NORTH, RANGE 67 WEST, 6TH)
P.M. AND SECTIONS 26, 27, 34 AND 35,)
TOWNSHIP 2 NORTH, RANGE 67 WEST, 6TH)
P.M., FOR THE **CODELL AND NIOBRARA**)
FORMATIONS, WATTENBERG FIELD, WELD)
COUNTY, COLORADO)

Cause No. _____

Docket No. _____

AMENDED APPLICATION

COMES NOW Kerr-McGee Oil & Gas Onshore LP ("Kerr-McGee" or "Applicant"), by and through its undersigned attorneys, and makes application to the Oil and Gas Conservation Commission of the State of Colorado ("Commission"), for an order to pool all interests within **four designated wellbore spacing units** to produce oil, gas and associated hydrocarbons from the Codell and Niobrara Formations, as applicable, for the following described lands:

Sickler 26C-34HZ Well (API No. Pending):

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

Section 2: NW $\frac{1}{4}$ NW $\frac{1}{4}$ ("WSU#1" - 480 Acres - Codell Formation)

Section 3: NE $\frac{1}{4}$ NE $\frac{1}{4}$

Township 2 North, Range 67 West, 6th P.M.

Section 26: SW $\frac{1}{4}$ SW $\frac{1}{4}$

Section 27: SE $\frac{1}{4}$ SE $\frac{1}{4}$

Section 34: E $\frac{1}{2}$ E $\frac{1}{2}$

Section 35: W $\frac{1}{2}$ W $\frac{1}{2}$

Sickler 1N-34HZ (API No. Pending):

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

Section 3: NE $\frac{1}{4}$ NE $\frac{1}{4}$ ("WSU#2" - 240 Acres - Niobrara Formation)

Township 2 North, Range 67 West, 6th P.M.

Section 27: SE $\frac{1}{4}$ SE $\frac{1}{4}$

Section 34: E $\frac{1}{2}$ E $\frac{1}{2}$

Sickler 27N-34HZ (API No. Pending):

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

Section 3: N $\frac{1}{2}$ NE $\frac{1}{4}$ ("WSU#3" - 480 Acres - Niobrara Formation)

Township 2 North, Range 67 West, 6th P.M.

Section 27: S $\frac{1}{2}$ SE $\frac{1}{4}$

Section 34: E $\frac{1}{2}$

Sickler 27C-34HZ (API No. Pending):

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

Section 3: N $\frac{1}{2}$ NE $\frac{1}{4}$ ("WSU#4" - 480 Acres - Codell Formation)

Township 2 North, Range 67 West, 6th P.M.

Section 27: S $\frac{1}{2}$ SE $\frac{1}{4}$

Section 34: E $\frac{1}{2}$

Weld County, Colorado ("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.
5. Pursuant to Rule 318A, Applicant designated an approximate 480-acre wellbore spacing unit for the Sickler 26C-34HZ Well in WSU #1, **an approximate 240-acre wellbore spacing unit for the Sickler 1N-34HZ Well in WSU #2, an approximate 480-acre wellbore spacing unit for the Sickler 27N-34HZ Well in WSU #3 and an approximate 480-acre wellbore spacing unit for the Sickler 27C-34HZ Well in WSU #4 for the production of oil, gas and associated hydrocarbons from the Codell and Niobrara Formations, as applicable.** Applicant notified all owners in each proposed wellbore spacing unit pursuant to Rule 318A.e.(6), as applicable. Applicant did not receive 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 objections to well locations, proposed spacing units, 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 and leased mineral interests, in the Sickler 26C-34HZ Well for development and operation of the Codell Formation underlying the following designated 480-acre wellbore spacing unit:

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

Section 2: NW $\frac{1}{4}$ NW $\frac{1}{4}$

Section 3: NE $\frac{1}{4}$ NE $\frac{1}{4}$

Township 2 North, Range 67 West, 6th P.M.

Section 26: SW $\frac{1}{4}$ SW $\frac{1}{4}$

Section 27: SE $\frac{1}{4}$ SE $\frac{1}{4}$

Section 34: E $\frac{1}{2}$ E $\frac{1}{2}$

Section 35: W $\frac{1}{2}$ W $\frac{1}{2}$

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 and leased mineral interests, in the Sickler 1N-34HZ Well for development and operation of the Niobrara Formation underlying the following designated 240-acre wellbore spacing unit:

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

Section 3: NE $\frac{1}{4}$ NE $\frac{1}{4}$

Township 2 North, Range 67 West, 6th P.M.

Section 27: SE $\frac{1}{4}$ SE $\frac{1}{4}$

Section 34: E $\frac{1}{2}$ E $\frac{1}{2}$

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 and leased mineral interests, in the Sickler 27N-34HZ Well for development and operation of the Niobrara Formation underlying the following designated 480-acre wellbore spacing unit:

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

Section 3: N $\frac{1}{2}$ NE $\frac{1}{4}$

Township 2 North, Range 67 West, 6th P.M.

Section 27: S $\frac{1}{2}$ SE $\frac{1}{4}$

Section 34: E $\frac{1}{2}$

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 and leased mineral interests, in the Sickler 27C-34HZ Well for development and operation of the Codell Formation underlying the following designated 480-acre wellbore spacing unit:

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

Section 3: N $\frac{1}{2}$ NE $\frac{1}{4}$

Township 2 North, Range 67 West, 6th P.M.
Section 27: S½SE¼
Section 34: E½

10. 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 Sickler 26C-34HZ Well in WSU #1, **the Sickler 1N-34HZ Well in WSU #2, the Sickler 27N-34HZ Well in WSU #3 and the Sickler 27C-34HZ Well in WSU #4 to the Codell and Niobrara Formations, as applicable.**

11. 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.

12. **That in order to prevent waste and to protect correlative rights, all interests in WSU#1, WSU#2, WSU#3 and WSU#4 be pooled for the orderly development of the Codell and Niobrara Formations, including any nonconsenting or leased mineral 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 Sickler 26C-34HZ 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 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 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 Sickler 26C-34HZ 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 Sickler 26C-34HZ Well.**

D. Pooling all interests in the Sickler 1N-34HZ Well and WSU #2 for the development of the Niobrara 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 the well in WSU#2 to the Niobrara 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 Sickler 1N-

34HZ 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 Sickler 1N-34HZ Well.

G. Pooling all interests in the Sickler 27N-34HZ 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 the 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 Sickler 27N-34HZ 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 Sickler 27N-34HZ Well.

J. Pooling all interests in the Sickler 27C-34HZ 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 the 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 Sickler 27C-34HZ 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 Sickler 27C-34HZ Well.

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

DATED this 0th day of March, 2014.

Respectfully submitted,

KERR-MCGEE OIL & GAS ONSHORE LP

By: 

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Jillian Fulcher

Beatty & Wozniak, P.C.

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Address of Applicant

Kerr-McGee Oil & Gas Onshore LP

ATTN: Nikkie Nigro

1099 18th Street, Suite 1800

Denver, Colorado 80202

VERIFICATION

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

Patrick McGraw, Landman for Kerr-McGee Oil & Gas Onshore LP, upon oath deposes and says that he has read the foregoing Application and that the statements contained therein are true to the best of his knowledge, information and belief.

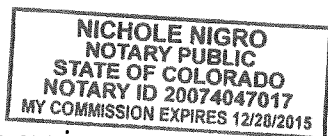


Patrick McGraw
Kerr-McGee Oil & Gas Onshore LP

Subscribed and sworn to before this 10 day of March, 2014.

Witness my hand and official seal.

[SEAL]



My commission expires: _____



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)
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TOWNSHIP 1 NORTH, RANGE 67 WEST, 6TH)
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TOWNSHIP 2 NORTH, RANGE 67 WEST, 6TH)
P.M., FOR THE **CODELL AND NIOBRARA**)
FORMATIONS, WATTENBERG FIELD, WELD)
COUNTY, COLORADO)

Cause No. _____


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SUPPLEMENTAL AFFIDAVIT OF MAILING

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

Jennifer L. Pittenger of lawful age, and being first duly sworn upon her oath, states and declares:

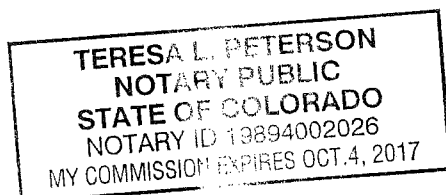
That she is a Legal Assistant at Beatty & Wozniak, P.C., attorneys for Kerr-McGee Oil & Gas Onshore LP, and on or before March 10, 2014, caused a copy of the attached Application to be deposited in the United States Mail, postage prepaid, addressed to the parties listed on Exhibit A attached hereto.


Jennifer L. Pittenger

Subscribed and sworn to before me March 10 2014.

Witness my hand and official seal.

My commission expires: 10-04-17.



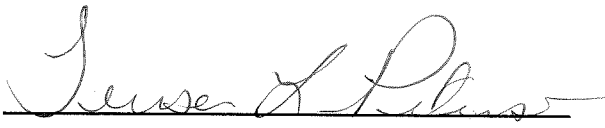

Notary Public

EXHIBIT A
Interested Parties

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Janice Owen, Trustee of Trust A under the Bud and
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Annette B. Montoya
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Sueann Leclair
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The Montoya's, a Partnership
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Hurricane, WV 25526

William Robert Owen and Jo Ann Owen
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Thomas Family Limited Partnership
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