

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) CAUSE NO. ____
POOL ALL INTERESTS IN THREE APPROXIMATE)
480-ACRE DESIGNATED HORIZONTAL WELLBORE) DOCKET NO.
SPACING UNITS LOCATED IN SECTIONS 22, 27 AND)
34, TOWNSHIP 2 NORTH, RANGE 67 WEST, 6TH P.M.,)
FOR THE DEVELOPMENT/OPERATION OF THE)
NIOBRARA AND CODELL FORMATIONS,)
WATTENBERG FIELD, WELD COUNTY, COLORADO)

APPLICATION

Kerr-McGee Oil & Gas Onshore LP ("Kerr-McGee" or "Applicant"), by and through its attorneys, Jost & Shelton Energy Group, P.C., respectfully submits this Application to the Oil and Gas Conservation Commission of the State of Colorado (the "Commission") for an order pooling all interests in three approximate 480-acre designated horizontal wellbore spacing units designated for portions of Sections 22, 27 and 34, Township 2 North, Range 67 West, 6th P.M., for development and operation of the Niobrara and Codell Formations. In support of its Application, 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 substantial leasehold interests in the below-listed lands:

Township 2 North, Range 67 West, 6th P.M. WSU # 1

Section 22: S½SE¼

Section 27: E½

Section 34: N½NE¼

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

Section 22: S½SE¼

Section 27: E½

Section 34: N½NE¼

Township 2 North, Range 67 West, 6th P.M. WSU #3

Section 22: S½SE¼

Section 27: E½

Section 34: N½NE¼

Weld County, Colorado

These lands are hereinafter referred to as 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.

5. On January 27, 2014, the Commission entered Order No. 407-926, which among other things, approves the request for an order to pool all interests (including royalty interest owners) in an approximate 720-acre designated wellbore spacing unit established for certain lands in Sections 22, 27 and 34, Township 2 North, Range 67 West, 6th P.M., for the development and operation of the Codell Formation.

6. On March 17, 2014, the Commission entered Order No. 407-966, which among other things, however, as of the date of this filing, the Order is not available for public review.

7. Pursuant to Rule 318A., Applicant designated three approximate 480-acre horizontal wellbore spacing units, comprised of the Application Lands, for the Black Tiger 15N-27HZ well (API No. Pending) in WSU # 1, the Banded 16N-27HZ well (API No. Pending) in WSU # 2, and the Banded 37C-27HZ well (API No. Pending) in WSU #3 ("Wells"), for the production of oil, gas and associated hydrocarbons from the Niobrara and Codell Formations. Applicant notified all owners in the proposed designated horizontal wellbore spacing units pursuant to Rule 318A.e.(6). Applicant did not receive objections to the establishment of the proposed designated horizontal wellbore spacing units within the 30-day response period.

8. Acting pursuant to the applicable Colorado Statutes and Commission Regulations, Applicant seeks an order pooling all interests, including, but not limited to, any nonconsenting interests and leased mineral interests, in three approximate 480-acre designated horizontal wellbore spacing units designated for the Application Lands for the development and operation of the Niobrara and Codell Formations.

9. Applicant requests that the pooling order entered as a result of this Application be made effective as of the date of this Application, or, as applicable, the date that the costs specified in §34-60-116(7)(b), C.R.S., are first incurred for the drilling of the Wells on the Application Lands, whichever is earlier.

10. Further, Applicant requests that any nonconsenting 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 Wells, are pooled by operation of statute, pursuant to §34-60-116(6) & (7), C.R.S., and made subject to the cost recovery provisions thereof.

11. The granting of this Application is in accord with the Oil and Gas Conservation Act, found at §34-60-101, *et seq.*, C.R.S., and the Commission rules.

12. Applicant requests that relief granted under this Application should be effective on oral order by the Commission, and Applicant hereby agrees to be bound by said oral order.

13. That the names and addresses of the interested parties (persons who own any interest in the mineral estate of the tracts to be pooled, except owners of overriding royalty interest) according to the information and belief of the Applicant are set forth in Exhibit A attached hereto. The Applicant shall submit a certificate of service for the Application within the seven days as required by Rule 503.e.

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

A. Pooling all interests in the Application Lands for the development and operation of the Niobrara and Codell Formations, with the pooling order made effective as of the date of this Application, or, as applicable, the date that the costs specified in §34-60-116(7)(b), C.R.S. are first incurred for the drilling of the Wells on the Application Lands, whichever is earlier.

B. Providing that the nonconsenting 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 Wells, are pooled by operation of statute, pursuant to §34-60-116(6) & (7), C.R.S., and made subject to the cost recovery provisions thereof.

C. For such other findings and orders as the Commission may deem proper or advisable in the premises.

DATED this 17th day of April, 2014.

Respectfully submitted,

KERR-MCGEE OIL & GAS ONSHORE LP

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Jamie L. Jost

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Address of Applicant

Kerr-McGee Oil & Gas Onshore LP

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


Jay Errebo
Project Land Advisor
Kerr-McGee Oil & Gas Onshore LP

My commission expires: 3-15-2016

 Notary Public

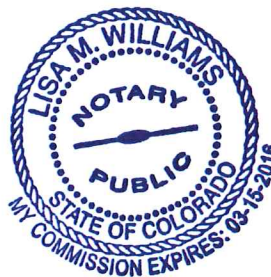


Exhibit A
Interested Party List
FP – Black Tiger 15N-27HZ, Banded 16N-27HZ, 37C-27HZ

Andes LLC
P.O. Box 1067
Farmington, NM 87499

Blue Ridge Energy, LLC
P.O. Box 26567
Phoenix, AZ 85068

Crosswind Resources, LLC
931 S. Lagoon Dr.
Gilbert, AZ 85233

Faye Breuer, Trustee of the
G.W. Breuer Trust
c/o Phil Burns
Captive Resources
8001 S. Interpret Blvd., Suite 360
Englewood, CO 80112

J and J Energy, LLC
300 N. Sorrel Ct.
Show Low, AZ 85901

J. Cleo Thompson and
James Cleo Thompson, Jr. a partnership
325 North Saint Paul, Suite 4300
Dallas, TX 75201

Kaiser-Francis Oil Company
P.O. Box 21468
Tulsa, OK 74121

Magic Merlin Energy Investments, LLC
6210 N. 52nd Place
Paradise Valley, AZ 85253

Marks Oil, Inc.
1775 Sherman Street, Suite 2990
Denver, CO 80203

Paladin Inc.
P.O. Box 5062
Scottsdale, AZ 85261

Thomas Family Limited Partnership
P.O. Box 80123
Phoenix, AZ 80651

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1099 18th Street, Suite 1800
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P.O. Box 26567
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HOFFMAN ESTATES, Illinois 60169

Cheryl Wessman
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WEST JORDAN, UT 84088

Rosalyn Munyan
65 NORTH 100 WEST
MILLVILLE, UT 84326

Garth Alan Linder
8183 S. Tuckford
West Jordon, UT 84081

Romana Leishman
959 EAST MAIN ST
WELLSVILLE, UT 84339

Henry E. Linder
10162 FOREST SPRINGS DRIVE
GRASS VALLEY, CA 95949

Strear Farms Company
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John Bradley Zermuehlen and
Laura Lee Zermuehlen, joint tenants
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FORT LUPTON, CO 80621

Judith Ellen Stumbo
208 Kits Place
Johnstown, CO 80534

Johann R. Vonasek and Holly G. Vonasek
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Ft. Lupton, CO 80621

Eileen Vonasek Buckley
2600 Ridge Road
Broomfield, CO 80020

Denette Vonasek
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Janice Owen
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Albuquerque, NM 87107

William Robert Owen and JoAnn Owen
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Belen, NM 87002

Karen Sue Owen
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Albuquerque, NM 87107

Sueann Leclair
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Peralta, NM 87042

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