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

| IN THE MATTER OF AN APPLICATION BY KERR- |) | |
|---|---|---------------------------|
| MCGEE OIL & GAS ONSHORE LP FOR AN ORDER |) | CAUSE NO |
| POOLING ALL INTERESTS IN AN APPROXIMATE |) | |
| 480-ACRE ESTABLISHED HORIZONTAL WELLBORE |) | DOCKET NO. To be assigned |
| SPACING UNIT LOCATED IN SECTIONS 22 |) | |
| THROUGH 27, TOWNSHIP 3 NORTH, RANGE 68 |) | |
| WEST, 6 TH P.M., FOR THE |) | |
| DEVELOPMENT/OPERATION OF THE CODELL |) | |
| FORMATION, WATTENBERG FIELD, WELD COUNTY, |) | |
| COLORADO |) | |
| | | |

APPLICATION

Kerr-McGee Oil & Gas Onshore LP ("Kerr-McGee" or "Applicant"), by and through its attorneys, Beatty & Wozniak, 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 an approximate 480-acre horizontal wellbore spacing unit established for portions of Sections 22 through 27, Township 3 North, Range 68 West, 6th P.M., for development and operation of the Codell Formation. In support of its Application, Applicant states and alleges as follows:

- Applicant is a limited partnership formed under the laws of the State of 1. 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 3 North, Range 68 West, 6th P.M.

Section 22:

SE1/4SE1/4

Section 23:

S½S½

Section 24:

SW1/4SW1/4

Section 25:

NW1/4NW1/4

Section 26:

N½N½

Section 27:

NE¼NE¼

Weld County, Colorado

These lands are hereinafter referred to as the "Application Lands" and depicted in Exhibit A attached hereto.

On April 27, 1998, the Commission adopted Rule 318A, which, among other 3. 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.
- 4. Pursuant to Rule 318A., Applicant designated an approximate 480-acre horizontal wellbore spacing unit, comprised of the Application Lands, for the Douthit 26C-27HZ well (API No. Pending) ("Well") for production of oil, gas and associated hydrocarbons from the Codell Formation. Applicant notified all owners in the proposed wellbore spacing unit pursuant to Rule 318A.e.(6). Applicant did not receive objections to the establishment of the proposed horizontal wellbore spacing unit within the 30-day response period.
- 5. Acting pursuant to the relevant provisions of §34-60-116(6) & (7), C.R.S., and Rule 530., Applicant seeks an order pooling all interests, including, but not limited to, any nonconsenting interests and leased mineral interests, in the approximate 480-acre horizontal wellbore spacing unit established for the Application Lands for the development and operation of the Codell Formation.
- 6. That certain royalty owners whose oil and gas leases pre-date the widespread use of horizontal drilling and did not contemplate formation of horizontal wellbore spacing units under Rule 318A. have not agreed to participate in the wellbore spacing unit for purposes of royalty payments. Applicant has contacted each of these royalty owners, or has made diligent efforts to do so, to obtain their consent to participate in the wellbore spacing unit for purposes of royalty payments. Applicant has not been able to contact some of these individuals, or has received no response from them.
- 7. Applicant requests that the pooling order entered as a result of this Application be made effective as of the date of this Application.
- 8. Further, Applicant requests 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 Well, are made subject to the cost recovery provisions of §34-60-116(7), C.R.S.
- 9. 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.
- 10. 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.
- 11. 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 B 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 approximate 480-acre horizontal wellbore spacing unit established for the Application Lands for the development and operation of the Codell Formation, with the pooling order made effective as of the date of this Application.
- B. 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 Well, 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 / 7day of April, 2014.

Respectfully submitted,

KERR-MCGEE OIL & GAS ONSHORE LP

By:

Robert A. Willis (Colorado Bar No. 26038)

Jillian Fulcher (Colorado Bar No. 45010)

Beatty & Wozniak, P.C.

Attorneys for Applicant

216 16th Street, Suite 1100

Denver, Colorado 80202

(303) 407-4499

rwillis@bwenergylaw.com

jfulcher@bwenergylaw.com

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 & COUNTY OF DENVER |) |

Lauren Anderson, Landman II for Kerr-McGee Oil & Gas Onshore LP, upon oath deposes and says that she has read the foregoing Application and that the statements contained therein are true to the best of her knowledge, information and belief.

KERR-MCGEE OIL & GAS ONSHORE LP

Lauren Anderson

Subscribed and sworn to before me this 15th day of April, 2014, by Lauren Anderson, Landman II for Kerr-McGee Oil & Gas Onshore LP.

Witness my hand and official seal.

My commission expires: 02.03

KERRI DOUGAN
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20114006005
MY COMMISSION EXPIRES 02/03/2015

Kerri Dorgan Notary Public

| Exhibit A Application Map | 18 | 19 | - 30 | | 31 | |
|-------------------------------------|-----------|----|----------------------|----------|---------------------|----------|
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| 68W ounty | 14 68W | 23 | <u> </u> 26 | | 35 | |
| T3N, R68W Weld County | 14 | | | | | |
| | 15 | 22 | | | 34 | <u>_</u> |
| | | | | | | |
| Application lands - | 16 | 21 | | | | |
| Applicati | | | | | | |

EXHIBIT B

INTERESTED PARTIES

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 this <u>Exhibit B</u>.

KERR-MCGEE OIL & GAS ONSHORE LP 1099 18TH STREET, SUITE 1800 DENVER, CO 80202

AMERCO REAL ESTATE COMPANY 272 N CENTRAL AVE. PHOENIX, AZ 85004

ANADARKO E&P COMPANY, LP 1201 LAKE ROBBINS DRIVE SPRINT, TEXAS 77380

ASHWORTH AT 60TH, L.C. 6400 WESTOWN PKWY WEST DES MOINES, IA 50266

AW ET AL. C/O ALAN WOODBURY 4641 WILD INDIGO, #441 HOUSTON, TX 77027

BARBARA M. WHITE 549 LONGHURST PL., BRIGHTON, CO 80601

ESTATE OF GENEVIEVE JACOBS C/O TR BEECHER JR ESQUIRE 2100 MAIN PLACE TOWER BUFFALO, NEW YORK, 14202-3721

ESTER K. OFFEN 2459 S. WORCHESTER CT. UNIT D AURORA CO 80014

FLOWER SOUTH BEACH, LLC 909 THIRD AVE NEW YORK, NY 10022

GILBERT C. SWANSON, JR. 300 RIVERVIEW CT. LONGMONT, CO 80501

HARVEY KATZ AND MIRELLE KATZ, JOINT TENANTS 5151 SAN FELIPE, SUITE 2325 HOUSTON, TX 77056

JOSEPHINE E. WARREN (T.J. RADEMACHER ESTATE) 12795 COLUMBINE DR. LONGMONT CO 80504 BEATTY & WOZNIAK, P.C. 216 16TH STREET, SUITE 1100 DENVER, COLORADO 80202

COLORADO DEPARTMENT OF TRANSPORTATION ATTN: DAVID FOX 15285 S. GOLDEN ROAD BLDG 47 GOLDEN, CO 80401

COLORADO LAND SERVICES, LLC 1051 D WEST HIGHWAY 34 LOVELAND CO 80537

DONALD C. HILGERS REVOCABLE LIVING TRUST DATED AUGUST 31, 2004 2322 S ROGERS VILLA 20 MEA, AZ 85202

DOUTHIT MINERALS, LLC 4886 STATE HWY 66 LONGMONT, CO 80504

EDWARD AND MAGDALEN RADEMACHER LIVING TRUST 2439 EAGLE VIEW CIR. LONGMONT CO 80504

HELEN P. WADLE 9631 MAJESTIC DRIVE LONGMONT, CO 80504

HP-FARMS ROYALTY, LLC 6850 TPC DRIVE, SUITE 202 MCKINNEY, TX 75070

JASMINE MORAN CHILDREN'S MUSEUM FOUNDATION, INC. P.O. BOX 1828 SEMINOLE, OK 74818-1828

JEFFREY W. RANKIN, TRUSTEE OF THE JAY SWANSON RESIDUARY TRUST 900 ROCKMEAD DRIVE, UNIT 102 KINGWOOD, TEXAS 77339-2285

JMH INVESTMENTS, INC. 8110 RUSSELL CURRY ROAD ARLINGTON, TX 76001

LONGS PEAK EQUIPMENT PROPERTIES, LLC 4322 STATE HIGHWAY 66 LONGMONT, CO 80504

KIM SCAFF 21931 E. RIDGE TRAIL CIR. AURORA CO 80016

KLEIMOR ENERGY, LLC 8451 OREGON PLACE DENVER, CO 80231

KRISTINE BOWYER 1651 DOPPLER ST. STRASBURG CO 80136

L & J LAND, LLC 13184 WCR 13 LONGMONT, CO 80504

MEAD CROSSINGS, LLC 1200 17TH ST., SUITE 850 DENVER, CO 80202-5835

NAUMAN FAMILY LLC 5660 DUDLEY ST. ARVADA, CO 80002

NEXT ENERGY, LLC 100 BROADWAY SUITE, 2460 OKLAHOMA CITY, OK 73102

PEYTON ENERGY, LP 6850 TPC DR STE 202 MCKINNEY, TX 75070

R. L. ZINN, ET AL. #2, LTD. 3400 BISSONNET, SUITE 250 HOUSTON, TX 77005

LAURA B. MEREDITH 704 HIDEAWAY TERRACE VISTA CA 92081

RICHARD L. WURTELE AND PATRICIA ANN WURTELE, TRUSTEES OF THE RICHARD AND PATRICIA WURTELE FAMILY TRUST 17323 TARTAN TERRACE RAMONA CA 92065-6965

ROSEMARY A. AMES (T.J.RADEMACHER ESTATE) 7075 BRIGADOON DR. LONGMONT, CO 80503

JOHN E. MEREDITH, TRUSTEE OF THE ROGER MEREDITH IRREVOCABLE TRUST, ESTABLISHED AUGUST 31, 2012 126 RAMONA REAL RAMONA CA 92065

SEALARK INVESTMENTS, LLC 4900 WOODWAY DRIVE, SUITE 800 HOUSTON, TX 77056 LYONS 66 PACIFIC LLC 7262 S BOULDER RD. BOULDER, CO 80303

MADANT ENERGY, LLC 3751 S PONTIAC WAY DENVER, CO 80237

MADISON REYNOLDS 150 FILBERT AVE. NO. 1 SAUSALITO, CA 94965

MAXICA GROUP, LLC 6788 HARVEST RD. BOULDER, CO 80301

RADEMACHER TRUST, LLC 13184 WCR 13 LONGMONT CO 80504

RITA M. REGNIER (T.J. RADEMACHER ESTATE) 1325 10TH AVENUE LONGMONT, CO 80501

ROBERT M. RADEMACHER (ALSO T.J. RADEMACHER ESTATE)
13774 E. I-25 FRONTAGE RD
LONGMONT CO 80504

ROGER MEREDITH
13184 WCR 13
LONGMONT, COLORADO 8050
4
JOHN E. MEREDITH
126 RAMONA REAL
RAMONA CA 92065

SHIRLEY K. LEEPER 11245 LEWISTOWN ST. COMMERCE CITY CO 80022-9763

SIDNEY MORAN 18 HUDSON CIRCLE HOUSTON, TX 77024

TERESA M. APPLEHANS 11335 FRANKLIN ST. NORTHGLENN, CO 80233

THE FIRST NATIONAL BANK OF OMAHA, TRUSTEE OF THE TESTAMENTARY TRUST ESTABLISHED UNDER THE WILL OF GILBERT C. SWANSON PO BOX 3480 OMAHA, NEBRASKA 68103-0480

THE GLEN S. DOUTHIT IRREVOCABLE MARITAL TRUST 4886 STATE HWY 66 LONGMONT, CO 80504-9613

THEODORE A. RADEMACHER (ALSO T.J.RADEMACHER ESTATE)
13774 E. I-25 FRONTAGE RD
LONGMONT CO 80504

TOWN OF MEAD P.O . BOX 626 MEAD, CO 80542

TWO SISTERS, LLC DIXIE FOLZENLOGEN, AIF CHEYENNE, WY 82001

WILLIAM B. PRESTON LIVING TRUST U/A 08/26/97 11904 ARBOR STREET, SUITE 200 OMAHA, NEBRASKA 68114

BENSON FARMS, LLC 530 HOLYOKE COURT FT. COLLINS, CO 80525-7022

CARMA BAYSHORE LLC 188 INVERNESS DRIVE STE 150 ENGLEWOOD, CO 80112

DAVID R. HEIL 13977 WELD COUNTY ROAD 5 LONGMONT, CO 80504

JAMIE MARIE HEIL 2248 10TH AVENUE, APT K206 LONGMONT, CO 80501

JOYCE LYNN WAGNER-KNIGHT 12811 SW 35TH STREET TOPEKA, KS 66614

JUNE A. DOLAN 2800 DESERT ZINNIA LANE LAS VEGAS, NV 89135

DARRELL FELTON 9738 WELD COUNTY ROAD 4 BRIGHTON, COLORADO 80601

ESTATE OF LESLIE T. MAJOR 8985 E 162 AVE. BRIGHTON, COLORADO 80602 GARY WOODS FAMILY TRUST ATTN: SANDRA WOODS 80 COMSTOCK PLACE CASTLE ROCK, CO 80108

MARCIA L. GREEN TRUST 1049 HARRISON LOVELAND, CO 80537

SHARYL J. HARSTON REVOCABLE TRUST 7976 SOUTH SHAWNEE STREET AURORA, CO 80016

WOODS FAMILY TRUST 530 HOLYOKE COURT FORT COLLINS, CO 80525

BERNICE L. BONDE 2018 RIDGEVIEW DRIVE LONGMONT, CO 80504

MICHAEL H. WAGNER 3499 PARK RIDGE ROAD MAHTOWA, MINNESOTA 55707-8640

TIMOTHY S. HEIL PO BOX 173 LA BARGE, WY 83123

TIMOTHY S. HEIL, TRUSTEE FOR ASHLEY MARIE HEIL... PO BOX 173 LA BARGE, WY 83123

TIMOTHY S. HEIL, TRUSTEE FOR TONI RANAE HEIL... PO BOX 173 LA BARGE, WY 83123

DARRELL BECK, JR. 12231 NORTH 63RD STREET LONGMONT, CO 80503

KERR-MCGEE OIL & GAS ONSHORE LP P.O. BOX 173779 DENVER, CO 80217-3779

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

| IN THE MATTER OF AN APPLICATION BY KERR- MCGEE OIL & GAS ONSHORE LP FOR AN ORDER POOLING ALL INTERESTS IN AN APPROXIMATE 480-ACRE ESTABLISHED HORIZONTAL WELLBORE SPACING UNIT LOCATED IN SECTIONS 22 THROUGH 27, TOWNSHIP 3 NORTH, RANGE 68 WEST, 6 TH P.M., FOR THE DEVELOPMENT/OPERATION OF THE CODELL) CAUSE NO DOCKET NO. To be assigned) DOCKET NO. To be assigned) |
|--|
| FORMATION, WATTENBERG FIELD, WELD COUNTY,) COLORADO) |
| AFFIDAVIT OF MAILING |
| STATE OF COLORADO))ss. CITY AND COUNTY OF DENVER) |
| Jennifer 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 April 21, 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 B to the Application. |
| Jennifer Pittenger |
| Subscribed and sworn to before me thisday of April, 2014. |
| Witness my hand and official seal. |
| TERESA L. PETERSON TO THE COMMISSION EXPINES OCT.4, 2017 Notary Public |