

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 AN APPROXIMATE 480-)
ACRE DESIGNATED HORIZONTAL WELLBORE) DOCKET NO.
SPACING UNIT LOCATED IN SECTIONS 22, 23 AND)
24, TOWNSHIP 3 NORTH, RANGE 68 WEST, 6TH 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, 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 an approximate 480-acre designated horizontal wellbore spacing unit designated for portions of Sections 22, 23 and 24, 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:

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 3 North, Range 68 West, 6th P.M.

Section 22: NE $\frac{1}{4}$ SE $\frac{1}{4}$, SE $\frac{1}{4}$ NE $\frac{1}{4}$

Section 23: S $\frac{1}{2}$ N $\frac{1}{2}$, N $\frac{1}{2}$ S $\frac{1}{2}$

Section 24: SW $\frac{1}{4}$ NW $\frac{1}{4}$, NW $\frac{1}{4}$ SW $\frac{1}{4}$

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 March 17, 2014, the Commission entered Order Nos. 407-960, 407-961, 407-963 and 407-964, however, as of the date of this filing, the Orders are not available for public review.

6. Pursuant to Rule 318A., Applicant designated an approximate 480-acre horizontal wellbore spacing unit, comprised of the Application Lands, for the Benson Farms 32C-23HZ Well, (API No. Pending) ("Well"), for the production of oil, gas and associated hydrocarbons from the Codell Formation. Applicant notified all owners in the proposed designated horizontal wellbore spacing unit pursuant to Rule 318A.e.(6). Applicant did not receive objections to the establishment of the proposed designated horizontal wellbore spacing unit within the 30-day response period.

7. 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 an approximate 480-acre designated horizontal wellbore spacing unit designated for the Application Lands for the development and operation of the Codell Formation.

8. 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 Well on the Application Lands, whichever is earlier.

9. 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 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.

10. 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.

11. 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.

12. 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 Codell Formation, 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 Well 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 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 14 day of April, 2014.

Respectfully submitted,

KERR-MCGEE OIL & GAS ONSHORE LP

By: Jamie L. Jost

Jamie L. Jost

Joseph M. Evers

Jost & Shelton Energy Group, P.C.

Attorneys for Applicant

1675 Larimer Street, Suite 420

Denver, Colorado 80202

jjost@jsenergygroup.com

jevers@jsenergygroup.com

Address of Applicant


Kerr-McGee Oil & Gas Onshore LP

ATTN: Jamie Sullivan

1099 18th Street, Suite 1800

Denver, Colorado 80202

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


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

JAMIE SULLIVAN
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20114075324
MY COMMISSION EXPIRES 11/29/2015


Notary Public

IN THE MATTER OF THE APPLICATION OF
KERR-MCGEE OIL & GAS ONSHORE LP FOR
AN ORDER TO POOL ALL INTERESTS IN AN
APPROXIMATE 480-ACRE DESIGNATED
HORIZONTAL WELLBORE SPACING UNIT
LOCATED IN SECTIONS 22, 23 AND 24,
TOWNSHIP 3 NORTH, RANGE 68 WEST, 6TH
P.M., FOR THE DEVELOPMENT/OPERATION OF
THE CODELL FORMATION, WATTENBERG
FIELD, WELD COUNTY, COLORADO

DOCKET NO.

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

Jamie L. Jost

My commission expires: 9/18/17



Exhibit A
Interested Party List
Benson Farms 32C-23HZ

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

Donald C. Hilgers Revocable Living Trust
dated 8/31/04
2322 S. Rogers #20
Mesa, AZ 85202

Donald C. Hilgers
2322 S. Rogers #20
Mesa, AZ 85202

Colorado Department of Transportation
Property Leasing Mgr: DAVID FOX
4201 East Arkansas Ave., Room 212
Denver, CO 80222

Jim H. McKinstry Trust U/A dated October
25, 1979
3750 Weld County Road 32
Mead, CO 80542

Lynda L. McKinstry Trust U/A dated
6/14/01
3750 Weld County Road 32
Mead, CO 80542

Longmont United Hospital Foundation
P.O. Box 1159
Longmont, CO 80502

Zeek Partnership, LLLP
P.O. Box 189
Mead, CO 80452

Realty Income Corporation
600 La Terraza Blvd
Escondido, CA 92025

Devisee(s) of the Estate of Theodore J.
Rademacher
c/o Louis J. Rademacher
13184 WCR 13
Longmont, CO 80501

Louis J. and Frances J. Rademacher,
Trustees of the Rademacher Living Trust
dated 3-3-1994
13184 WCR 13
Longmont, CO 80501

Rademacher Trust LLC
P.O. Box 978
Longmont, CO 80502-0978

Rosemary Ann Ames
7075 Brigadoon Drive
Longmont, CO 80503

Edward C. and Magdalen Rademacher
Living Trust dtd 5-19-1993
2439 Eagleview Circle
Longmont, CO 80504

Teresa M. Applehans
11335 Franklin Street
Denver, CO 80233

Rita M. Regnier
1325 11th Ave.
Longmont, CO 80501

Helen P. Wadle
9631 Majestic Drive
Longmont, CO 80504

Theodore A. Rademacher
10227 Echo Circle
Longmont, CO 80504

Robert M. Rademacher
13774 E I-25 Frontage Road
Longmont, CO 80504

Josephine E. Warren
12795 Columbine Drive
Longmont, CO 80504

Nauman Family LLC
5660 Dudley Street
Arvada, CO 80002

PBR Properties Joint Venture
P.O. Box 2802
Midland, TX 79702

Colorado Land Services, LLC
1051-D West Highway 34
Loveland, CO 80537

Kings Court Properties, LLLP
224 Mulligan Lake Drive
Mead, CO 80542

Gilbert C. Swanson, Jr.
300 Riverview Court
Longmont, CO 80501

Gilbert C. Swanson Testamentary Trust
c/o Farmers National, Co-Agent
P. O. Box 3480
Omaha, NE 68103-0480

LN Real Estate LLC
801 Second Avenue, Ste # 1300
Seattle, WA 98104

Garage Storage II, LLC
4075 Camelot Cir Unit 200
Longmont, CO 80504

Robert M., Janice M. and
Theodore A. Rademacher
13774 E I-25 Frontage Road
Longmont, CO 80504

The Reynolds Cattle Co.
P.O. Box 675
Longmont, CO 80502

The Leeper Family Revocable Trust
7290 Magnolia Street
Commerce City, CO 80022

Barbara M. White
549 Longhurst Place
Brighton, CO 80601

Esther K. Offen
P.O. Box 706
Eagle, CO 81631

Zundel, LLC
2510 White Wing Road
Johnstown, CO 80534

John E. White
2032 Meadow Vale Road
Longmont, CO 80504

4064 Camelot, LLC
c/o Bruce E. Miller
HC 62, Box 61
Raton, NM 87740

Apollo 2, LLC
483 Hwy 56
Berthoud, CO 80513

Kristine Bowyer
1651 Doppler Street
Strasburg, CO 80136

Kim Scaff
21931 East Ridge Trail Circle
Aurora, CO 80016

Investors Independent Trust Company
Trustee of George S. Reynolds Marital Trust
P.O. Box 8052
Boulder, CO 80306-8052

Guaranty Bank and Trust Company
Trustee of George S. Reynolds Marital Trust
1331 17th Street, Suite 345
Denver, CO 80202

Anadarko E&P Onshore LLC
f/k/a Anadarko E&P Company, LP
1018 18th Street, Suite 1800
Denver, CO 80202

Lee Gilbert Swanson
450 Camino Don Miguel
Santa Fe, NM 87505

Jay Fullbright Swanson, Jr.
2306 West Main Street
Houston, TX 77098-3219

Maxica Group LLC
6788 Harvest Road
Boulder, CO 80301

HP-Farms Royalty, LLC
6850 TPC Drive, Suite 202
McKinney, TX 75070

William B. Preston Living Trust U/A
08/26/97
William B. and Linda L. Preston, Trustees
11904 Arbor Street, Suite 200
Omaha, NE 68114

Two Sisters, LLC
1712 Pioneer Avenue, Suite 470
Cheyenne, WY 82001

Next Energy Partners, LLC
c/o The Fleischaker Companies
100 Broadway, Suite 2460
Oklahoma City, OK 73102

R. L. Zinn et al #2, Ltd.
3400 Bissonnet, Suite 250
Houston, TX 77005

Peyton Energy, LP
6850 TCP Drive, Suite 202
McKinney, TX 75070

Kleimor Energy, LLC
8451 East Oregon Place
Denver, CO 80231

Sidney Moran
18 Hudson Circle
Houston, TX 77024

Jasmine Moran Children's Museum
Foundation, Inc.
P.O. Box 1828
Seminole, OK 74818-1828

Harvey Katz and Mireille Katz, JTROS
5161 San Felipe, Suite 2325
Houston, TX 77056

AW et al
c/o Alan Woodbury
4641 Wild Indigo, #441
Houston, TX 77027

Wattenberg III, LP
150 Filbert Avenue #4
Sausalito, CA 94965

Sealark Investments, LLC
4900 Woodway Drive, Suite 800
Houston, TX 77056

Flower South Beach, LLC
c/o Emerald Development Managers, LP
909 Third Avenue
New York, NY 10022

Madant Energy, LLC
3600 S. Yosemite, Suite 320
Denver, CO 80237

Nancy L. Swanson
518 Peregrine Circle
Longmont, CO 80504

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

Gary Woods Family Trust
Attn: Sandra Woods
80 Comstock Place
Castle Rock, CO 80108