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

MCGEE OIL & GAS ONSHORE LP FOR AN ORDER POOLING ALL INTERESTS IN TWO APPROXIMATE 480-ACRE ESTABLISHED HORIZONTAL WELLBORE SPACING UNITS LOCATED IN SECTIONS 25 THROUGH 27, TOWNSHIP 3 NORTH, RANGE 68 CAUSE NO DOCKET NO THOUGH 27, TOWNSHIP 3 NORTH, RANGE 68	
480-ACRE ESTABLISHED HORIZONTAL WELLBORE) DOCKET NO. <i>To be assign</i> SPACING UNITS LOCATED IN SECTIONS 25) THROUGH 27, TOWNSHIP 3 NORTH, RANGE 68)	
SPACING UNITS LOCATED IN SECTIONS 25) THROUGH 27, TOWNSHIP 3 NORTH, RANGE 68)	
THROUGH 27, TOWNSHIP 3 NORTH, RANGE 68	<i>iea</i>
WEST, 6 TH P.M., FOR THE	
DEVELOPMENT/OPERATION OF THE CODELL AND)	
NIOBRARA FORMATIONS, 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 two approximate 480-acre horizontal wellbore spacing units established for portions of Sections 25 through 27, Township 3 North, Range 68 West, 6th P.M., for development and operation of the Codell and Niobrara Formations, as applicable. 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 25:

SW1/4NW1/4, NW1/4SW1/4

Section 26:

S½N½, N½S½

Section 27:

SE1/4NE1/4, NE1/4SE1/4

Weld County, Colorado

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

3. 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.

- 4. Pursuant to Rule 318A., Applicant designated an approximate 480-acre horizontal wellbore spacing unit, comprised of the Application Lands, for the Douthit 40C-27HZ well (API No. Pending) 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. Pursuant to Rule 318A., Applicant also designated an approximate 480-acre horizontal wellbore spacing unit, comprised of the Application Lands, for the Douthit 40N-27HZ well (API No. Pending) for production of oil, gas and associated hydrocarbons from the Niobrara 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.
- 6. The Douthit 40C-27HZ well and the Douthit 40N-27HZ well are hereinafter referred to as the "Subject Wells."
- 7. 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 two approximate 480-acre horizontal wellbore spacing units established for the Application Lands for the development and operation of the Codell and Niobrara Formations, as applicable.
- 8. 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 units 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 units for purposes of royalty payments. Applicant has not been able to contact some of these individuals, or has received no response from them.
- 9. Applicant requests that the pooling order entered as a result of this Application be made effective as of the date of this Application.
- 10. 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 Subject Wells, are made subject to the cost recovery provisions of §34-60-116(7), C.R.S.
- 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 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 two approximate 480-acre horizontal wellbore spacing units established for the Application Lands for the development and operation of the Codell and Niobrara Formations, as applicable, 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 Subject 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 7 day 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

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Denver, Colorado 80202

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ifulcher@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: ___

NOTARY ID 20114006005 MY COMMISSION EXPIRES 02/03/2015 Kuri Dorgan Notary Public

T3N, R68W

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Exhibit A Application Map	18				1 30	31	
	13	· — · — · — ·	24				
I 3N, R68W Weld County	14	T3N, R 6 8W	23		26	35	
	15		22	,	27	34	
Application lands -	16		21		28		

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 Exhibit B.

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

ALEXANDER PACE SCHNEIDER 420 THROCKMORTON SUITE 710 FORT WORTH, TX 76102-3724

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

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

BARBARA M. FOOS C/O GUARANTY BANK & TRUST ATTN: SARAH STERKEL PO BOX 1159 LONGMONT, CO 80502

BARBARA M. WHITE 549 LONGHURST PL. BRIGHTON CO 80601

BRETT G. TAYLOR ROYALTY TRUST PO BOX 9 ALEDO, TX 76008

CENTENNIAL BANK OF THE WEST, TRUSTEE OF THE EDWIN ANDERSON FAMILY TRUST ATTN: AMY LOVELL CONTROLLER 100 OAK AVE EATON, CO 80615

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 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

COURTENAY A. TAYLOR ROYALTY TRUST PO BOX 720429 DALLAS, TX 75372

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

ECAP III & COMPANY 420 THROCKMORTON SUITE 710 FORT WORTH, TX 76102-3724

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

EQUITY TRUST COMPANY, CUSTODIAN FBO WILLIAM K. GOEKEN IRA 15683 CESSNA ROAD JUSTIN, TX 76247

JAMES E. ANDERSON 6876 COUNTY ROAD 5 ERIE, CO 80516

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 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

HELEN P. WADLE 9631 MAJESTIC DRIVE LONGMONT, CO 80504

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

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

KLABZUBA OIL & GAS, INC. PO BOX 961102 FORT WORTH, TX 76161-1102

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

LEIGH S. TAYLOR 420 THROCKMORTON SUITE 710 FORT WORTH, TX 76102-3724

LOUISE ANDERSON C/O GUARANTY BANK & TRUST ATTN: SARAH STERKEL PO BOX 1159 LONGMONT, CO 80502

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

PALLAS MINERALS, LLC **302 FAIRWAY COURT** WEATHERFORD, TX 76087

PEYTON ENERGY, LP 6850 TPC DR STE 202 MCKINNEY, TX 75070 JENNIFER LEIGH PACE 420 THROCKMORTON SUITE 710 FORT WORTH, TX 76102-3724

JOSEPHINE E. ANDERSON C/O GUARANTY BANK & TRUST ATTN: SARAH STERKEL PO BOX 1159 LONGMONT, CO 80502

JOSEPHINE E. WARREN (T.J. RADEMACHER ESTATE) 12795 COLUMBINE DR. LONGMONT CO 80504

KENT S. AND ROBIN L. BOOMER REVOCABLE TRUST 119 HIGHLAND DRIVE ALEDO, TX 76008

LOWRY ENERGY PARTNERS ATTN: LEN LOWRY 1106 ASPEN COURT ROCKWALL, TX 75087

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

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

MICHAEL C. BARTON AND KATHRYN S. BARTON 1412 KEENELAND HILL ALEDO, TX 76008

NAUMAN FAMILY LLC 5660 DUDLEY ST. ARVADA, CO 80002

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

ROBERT R. RADEMACHER AND DIANE RADEMACHER, JOINT TENANTS 13728 E 1-25 FRONTAGE ROAD LONGMONT, COLORADO 80504-9653

ROGER MEREDITH 13184 WCR 13

LONGMONT, COLORADO 80504

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

RADEMACHER TRUST LLC 13184 WCR 13 LONGMONT CO 80504

REMLAP, LLC ATTN: MICHAEL PALMER 2319 COLONIAL PKWY FORT WORTH, TX 76109

RITA M. REGNIER 1325 10TH AVENUE LONGMONT, CO 80501

ROBERT AND JANICE RADEMACHER LIVING TRUST DATED JULY 10, 2007 13774 E 1-25 FRONTAGE ROAD LONGMONT, COLORADO 80504

SARAH SYKES LAMENSDORF 420 THROCKMORTON SUITE 710 FORT WORTH, TX 76102-3724

SARATOGA OIL, LTD. 420 THROCKMORTON SUITE 710 FORT WORTH, TX 76102-3724

SEALARK INVESTMENTS, LLC 4900 WOODWAY DRIVE, SUITE 800 HOUSTON, TX 77056

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 BILLY R. TAYLOR AND JOYCE C. TAYLOR TRUST 210 WILLOWWOOD LANE LEVELLAND, TX 79336

THE BURNETT FOUNDATION, A TEXAS NON-PROFIT CORPORATION 801 CHERRY STREET, UNIT 16, SUITE 1585 FORT WORTH, TX 76102

JOHN E. MEREDITH 126 RAMONA REAL RAMONA CA 92065

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

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

ROSEMARY A. AMES 7075 BRIGADOON DR. LONGMONT, CO 80503

THE HIGHLAND DITCH COMPANY P.O. BOX 649 MEAD, CO 80542-0649

THE ROACH 2002 TRUST II FORT WORTH CLUB TOWER PEN II-J 777 TAYLOR STREET FORT WORTH, TX 76102-4919

THE ROACH FOUNDATION FORT WORTH CLUB TOWER PEN II-J 777 TAYLOR STREET FORT WORTH, TX 76102-4919

THE TRUSTEES OF THE WILLIAM EDWARDS TRUST MOUNTAIN PARKS BANK PO BOX 1704 BOULDER, CO 80308-7040

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TIMOTHY I. AND GINNY L. BUTTERFIELD REVOCABLE TRUST 185 LAKEVIEW DRIVE ALEDO, TX 76008

TRINITY MINERALS, A JOINT VENTURE ATTN: MARY ANN GIORDANO PO BOX 17418 FORT WORTH, TX 76102

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

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

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

WILMA L. GANTZ REVOCABLE TRUST 2306 CALLE DE RAFAEL NE ALBUQUERQUE, NM 87122

BERNICE L. BONDE 2018 RIDGEVIEW DRIVE LONGMONT, CO 80504 JUNE A. DOLAN 2800 DESERT ZINNIA LANE LAS VEGAS, NV 89135

CARMA BAYSHORE LLC 188 INVERNESS DRIVE STE 150 ENGLEWOOD, CO 80112 MICHAEL H. WAGNER 3499 PARK RIDGE ROAD MAHTOWA, MINNESOTA 55707-8640

CHRISTOPHER J. WAGNER 13600 WELD COUNTY ROAD 11 LONGMONT, CO 80504 TIMOTHY S. HEIL PO BOX 173 LA BARGE, WY 83123

DAVID R. HEIL 13977 WELD COUNTY ROAD 5 LONGMONT, CO 80504 JAMIE MARIE HEIL 2248 10TH AVENUE, APT K206

LONGMONT, CO 80501

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

JOYCE LYNN WAGNER-KNIGHT 12811 SW 35TH STREET TOPEKA, KS 66614 TIMOTHY S. HEIL, TRUSTEE FOR TONI RANAE HEIL... PO BOX 173 LA BARGE, WY 83123

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 TWO APPROXIMATE 480-ACRE ESTABLISHED HORIZONTAL WELLBORE SPACING UNITS LOCATED IN SECTIONS 25 THROUGH 27, TOWNSHIP 3 NORTH, RANGE 68 WEST, 6 TH P.M., FOR THE DEVELOPMENT/OPERATION OF THE CODELL AND NIOBRARA FORMATIONS, WATTENBERG FIELD, WELD COUNTY, COLORADO) CAUSE NO) DOCKET NO. To be assigned)))))
AFFIDAVIT OF MAILING	
STATE OF COLORADO))ss.	
CITY AND COUNTY OF DENVER)	
Jennifer Pittenger, of lawful age, and being first duly declares:	sworn upon her oath, states and
That she is a Legal Assistant at Beatty & Wozniak, P.C Gas Onshore LP, and on or before April 24, 2014, caused a cobe deposited in the United States Mail, postage prepaid, address B to the Application.	opy of the attached Application to
Jennifer Pi Subscribed and sworn to before me this day of A	ittenger pril, 2014.
	piii, 2011.
Witness my hand and official seal.	
TERESA L. PETERSON NOTARY PUBLIC STATE OF COLORADO NOTARY ID 19894002026 MY COMMISSION EXPIRES CCT. 4, 2017 Notary Pu	a Retus