## BEFORE THE OIL AND GAS CONSERVATION COMMISSION OF THE STATE OF COLORADO

| IN THE MATTER OF THE APPLICATION OF KERR-  | ) | CAUSE NO. |
|--|---|-----------|
| MCGEE OIL & GAS ONSHORE LP, FOR AN ORDER   | ) |           |
| TO SUBJECT PREVIOUSLY UNLOCATABLE PARTIES  | ) | DOCKET NO |
| TO DOCKET NO. 1404-UP-105 (ORDER NO.       | ) |           |
| PENDING), POOLING ALL INTERESTS IN AN      | ) |           |
| APPROXIMATE 480-ACRE DESIGNATED WELLBORE   | ) |           |
| SPACING UNIT IN SECTIONS 22, 23 AND 24,    | ) |           |
| TOWNSHIP 3 NORTH, RANGE 68 WEST, 6TH P.M., | ) |           |
| FOR THE CODELL AND NIOBRARA FORMATIONS,    | ) |           |
| WATTENBERG FIELD, WELD COUNTY, COLORADO    | ) |           |

### APPLICATION

COMES NOW Kerr-McGee Oil & Gas Onshore LP ("Applicant"), by and through its attorneys, Jost & Shelton Energy Group, P.C., and respectfully submits this Application to the Oil and Gas Conservation Commission of the State of Colorado ("Commission"), for an order declaring a prior order of the Commission applicable to previously unlocatable parties. The prior pooling order ("Pooling Order") in Docket No. 1404-UP-105 (Order No. Pending) pooled all interests in an approximate 480-acre designated wellbore spacing unit for the drilling of the Reynolds Cattle 5C-23HZ Well (API No. 05-123-39138) in WSU #1, the Reynolds Cattle 31N-23HZ Well, (API No. 05-123-39136) in WSU #2, and the Reynolds Cattle 31C-23HZ Well, (API No. 05-123-39133) in WSU #3 ("Wells"), for the development of the Codell and Niobrara Formations underlying:

| Township 3  | North, Range 68 West, 6th P.M.             | WSU #1     |
|-------------|--|------------|
| Section 22: | E1/2NE1/4                                  | (Codell)   |
| Section 23: | N½   |            |
| Section 24: | W1/2NW1/4                                  |            |
|             | 0.   |            |
| Township 3  | North, Range 68 West, 6 <sup>th</sup> P.M. | WSU #2     |
| Section 22: | E1/2NE1/4                                  | (Niobrara) |
| Section 23: | N1⁄2                                       |            |
| Section 24: | W1/2NW1/4                                  |            |
| Township 3  | North, Range 68 West, 6 <sup>th</sup> P.M. | WSU #3     |
|             |  |            |
| Section 22: |  | (Codell)   |
| Section 23: | N½   |            |

480-acres, more or less, Weld County, Colorado (hereinafter "Application Lands")

Section 24: W½NW¼

In support of its application, Applicant states and avers as follows:

- 1. Applicant is a corporation duly authorized to conduct business in the State of Colorado and is an operator in good standing with the Commission.
  - 2. Applicant owns substantial leasehold 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 and/or gas from the Niobrara Formation underlying certain lands, with the permitted well locations in accordance with the provisions of Order No. 407-1 and allowed downhole commingling of production from the Codell and Niobrara Formations.
- 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 the drilling of horizontal wells.
- 5. As of the date of this filing, the Pooling Order (Order No. Pending) is set to be entered by the Commission on April 28, 2014. The Pooling Order is set to pool all interests in an approximate 480-acre designated wellbore spacing unit for the Application Lands, for the development and operation of the Codell and Niobrara Formations, effective as of the date of the Application.
- 6. Applicant has since located additional interested parties who are the successors in interest to parties who had not been previously located because they appeared to be defunct entities or deceased individuals with no heirs and/or devisees. The interested parties have not previously received notice of the pooling application in Docket No. 1404-UP-105.
- 7. The grounds upon which Applicant sought the pooling order, and upon which the Pooling Order was entered, still pertain. Specifically:
- a. Applicant owns substantial leasehold interests in the Application Lands.
- b. The Application Lands were established as an approximate 480-acre designated wellbore spacing unit for the Niobrara Formation.
- c. Applicant intends to drill the Reynolds Cattle 5C-23HZ Well (API No. 05-123-39138) in WSU #1, the Reynolds Cattle 31N-23HZ Well, (API No. 05-123-39136) in WSU #2, and the Reynolds Cattle 31C-23HZ Well, (API No. 05-123-39133) for the production of oil and associated hydrocarbons from the Niobrara Formation underlying the Application Lands.

- 8. Applicant requests that the Commission subject the unnoticed interested parties to the Pooling Order, as such Pooling Order is made as of the earlier of the date of the original pooling application in Docket No. 1404-UP-105.
- 9. 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. The list of such interested parties is attached hereto as Exhibit A.

WHEREFORE, Applicant requests that this matter be set for hearing, that notice thereof be given as required by law, and that upon such hearing the Commission enter its order declaring the Pooling Order applicable to the said previously unnoticed interest owners, and for such other findings and orders as the Commission may deem proper or advisable in the premises.

DATED this day of April, 2014.

Respectfully submitted:

Kerr-McGee Oil & Gas Onshore LP

By:

Jamie L. Jost Joseph M. Evers

Jost & Shelton Energy Group, P.C.

Attorneys for Applicant 1675 Larimer St., Suite 420 Denver, Colorado 80202 (720) 379-1812

Applicant's Address:

Kerr-McGee Oil & Gas Onshore LP

ATTN: Jamie Sullivan

1099 18<sup>th</sup> Street, Suite 1800

Denver, CO 80202

## **VERIFICATION**

| Jay Errebo, of lawful age, being first duly sworn upon oath, deposes and says the he is Project Land Advisor for Kerr-McGee Oil & Gas Onshore LP, and that he has reathe foregoing Application and that the matters therein contained are true to the best of h knowledge, information and belief. | COLORADO ) ) ss.  |  |  |  |  |  |  |
|--|---|--|--|--|--|--|--|
| he is Project Land Advisor for Kerr-McGee Oil & Gas Onshore LP, and that he has rear the foregoing Application and that the matters therein contained are true to the best of h knowledge, information and belief.   | <b>/</b>  |  |  |  |  |  |  |
| as Erel  | Jay Errebo, of lawful age, being first duly sworn upon oath, deposes and says that he is Project Land Advisor for Kerr-McGee Oil & Gas Onshore LP, and that he has read the foregoing Application and that the matters therein contained are true to the best of his knowledge, information and belief. |  |  |  |  |  |  |
| Project Land Advisor  Kerr-McGee Oil & Gas Onshore LP  |   |  |  |  |  |  |  |
| Subscribed and sworn to before me this 17th day of April 2014.   | and sworn to before me this 17th day of April 2014.   |  |  |  |  |  |  |
| Witness my hand and official seal.  JAMIE SULLIVAN NOTARY PUBLIC   | nand and official seal.  JAMIE SULLIVAN NOTARY PUBLIC   |  |  |  |  |  |  |
| STATE OF COLORADO NOTARY ID 20114075324 MY COMMISSION EXPIRES 11/29/2015   | STATE OF COLORADO<br>NOTARY ID 20114075324<br>MY COMMISSION EXPIRES 11/29/2015  |  |  |  |  |  |  |
| My commission expires: 11/29/15  |   |  |  |  |  |  |  |
| Notary Public  | Notary Public   |  |  |  |  |  |  |
| INOTALLY I UDIO  | INOTALLY I UDITO  |  |  |  |  |  |  |

# BEFORE THE OIL AND 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 SUBJECT PREVIOUSLY UNLOCATABLE PARTIES TO DOCKET NO. 1404-UP-105 (ORDER NO. PENDING), POOLING ALL INTERESTS IN AN APPROXIMATE 480-ACRE DESIGNATED WELLBORE SPACING UNIT IN SECTIONS 22, 23 AND 24, TOWNSHIP 3 NORTH, RANGE 68 WEST, 6TH P.M., FOR THE CODELL AND NIOBRARA FORMATIONS, WATTENBERG FIELD, WELD COUNTY, COLORADO | ) ) ) ) ) | CAUSE NO.                 |  |  |  |  |  |  |
|--|-----------|---------------------------|--|--|--|--|--|--|
| AFFIDAVIT OF MAILING   |           |                           |  |  |  |  |  |  |
| STATE OF COLORADO )  |           |                           |  |  |  |  |  |  |
| COUNTY OF DENVER ) ss.   |           |                           |  |  |  |  |  |  |
| Jamie L. Jost, of lawful age, and being first duly sw declares:  | orn       | upon her oath, states and |  |  |  |  |  |  |
| That she is the attorney for Kerr-McGee Oil & Gas April 2, 2014, she caused a copy of the attached Applic United States Mail, postage prepaid, addressed to the par Application.   | atio      | n to be deposited in the  |  |  |  |  |  |  |
|  | A)        | L. Jost                   |  |  |  |  |  |  |
| عا صده   |           |                           |  |  |  |  |  |  |
| Subscribed and sworn to before me thisday of April, 2014.  |           |                           |  |  |  |  |  |  |
| Witness my hand and official seal.   |           |                           |  |  |  |  |  |  |
| My commission expires: 9/18/17  Notary Pu  | A blic    | nille Canoll              |  |  |  |  |  |  |
| DANIELLE E CARROLL   |           |                           |  |  |  |  |  |  |

DANIELLE E CARROLL Notary Public State of Colorado Notary ID 20134059312 My Commission Expires Sep 18, 2017

#### Exhibit A

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

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

PDC Energy, Inc., f/k/a Petroleum Development Corporation 1775 Sherman Street, Suite 3000 Denver, CO 80203

The Highland Ditch Company P.O. Box 649 Mead, CO 80542-0649

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

Heirs of Pearl M. Nauman 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. and Nancy L. Swanson 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, LLC c/o Anton Dworak P. O. Box 978 Longmont, CO 80501

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

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, 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 TPC 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 P.O. Box 100728 Denver, CO 80250

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

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