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 THREE **APPROXIMATE** 240-ACRE TO 400-ACRE DESIGNATED HORIZONTAL WELLBORE SPACING UNITS ESTABLISHED FOR CERTAIN PORTIONS OF SECTION 4, TOWNSHIP 1 NORTH, RANGE 66 WEST, 6TH P.M. AND SECTIONS 28 AND 33, TOWNSHIP 2 NORTH, RANGE 66 WEST, 6TH P.M., FOR THE DEVELOPMENT/OPERATION OF THE AND NIOBRARA FORMATIONS. CODELL WATTENBERG FIELD, WELD COUNTY, COLORADO

CAUSE NO. 407

DOCKET NO. To be assigned

APPLICATION

Kerr-McGee Oil & Gas Onshore LP, Operator No. 47120 ("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 three approximate 240-acre to 400-acre horizontal wellbore spacing units established for certain portions of Section 4, Township 1 North, Range 66 West, 6th P.M. and Sections 28 and 33, Township 2 North, Range 66 West, 6th P.M., for the development and operation of the Codell and Niobrara 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 1 North, Range 66 West, 6th P.M.

Section 4: NE¹/₄NW¹/₄

Township 2 North, Range 66 West, 6th P.M.

Section 28: SE1/4SW1/4 Section 33: E1/2W1/2

Wellbore Spacing Unit ("WSU") No. 1

Township 1 North, Range 66 West, 6th P.M. Section 4: NE¼NW¼, NW¼NE¼

Township 2 North, Range 66 West, 6th P.M. Section 33: E½W½. W½E½

{00338357}

WSU Nos. 2 and 3

These lands are hereinafter referred to as the "Application Lands" and depicted in <u>Exhibit</u> A 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 three approximate 240-acre to 400-acre horizontal wellbore spacing units, comprised of the Application Lands, for the below-described wells, for the production of oil, gas and associated hydrocarbons from the Codell or Niobrara Formations. Applicant notified all owners in the proposed wellbore spacing units pursuant to Rule 318A.e.(5). Applicant did not receive objections to the establishment of the proposed horizontal wellbore spacing units within the 30-day response period:
- a. Carter 14N-33HZ Well (API No. Pending) Niobrara Formation WSU No.
 1;
- b. Carter 14C-33HZ Well (API No. Pending) Codell Formation WSU No. 2; and
- c. Carter 36N-33HZ Well (API No. Pending) Niobrara Formation WSU No. 3.

These wells are hereinafter referred to as the "Subject Wells."

- 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, in WSU Nos. 1-3 established for the Application Lands, for the development and operation of the Codell and Niobrara Formations.
- 6. Applicant requests that the pooling order entered as a result of this Application be made effective as of the date of this Application.
- 7. 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 each of the Subject Wells, are made subject to the cost recovery provisions of §34-60-116(7), C.R.S., effective as of the earlier of the date of the Application, or the date the costs specified in §34-60-116(7)(b), C.R.S. are first incurred for the drilling of each of the Subject Wells.

- 8. 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.
- 9. 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.
- 10. 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 WSU Nos. 1-3 established for the Application Lands, for the development and operation of the Codell and Niobrara Formations, 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 each 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, effective as of the earlier of the date of the Application, or the date the costs specified in §34-60-116(7)(b), C.R.S. are first incurred for the drilling of each of the Subject Wells.
- C. For such other findings and orders as the Commission may deem proper or advisable in the premises.

DATED this 2\ day of May, 2015.

Respectfully submitted,

KERR-MCGEE OIL & GAS ONSHORE LP

By:

James Parrot

Jillian Fulcher
Beatty & Wozniak, P.C.
Attorneys for Applicant
216 16th Street, Suite 1100
Denver, Colorado 80202
(303) 407-4499
jparrot@bwenergylaw.com
jfulcher@bwenergylaw.com

Address of Applicant
Kerr-McGee Oil & Gas Onshore LP
ATTN: Anita Munkres
1099 18th Street, Suite 1800
Denver, Colorado 80202

VERIFICATION

STATE	OF COLORADO)				
CITY &	COUNTY OF DENVER) ss.)				
deposes	s and says that he has read t	th Kerr-McGee Oil & Gas Onshore LP, upon oath he foregoing Application and that the statements of his knowledge, information and belief.				
		KERR-MCGEE OIL & GAS ONSHORE LP				
		R.C. Kimball				
Subscribed and sworn to before me this day of May, 2015, by R.C Kimball, Staff Landman for Kerr-McGee Oil & Gas Onshore LP.						
Witness my hand and official seal.						
N	/ly commission expires:/	31/2017				
	Cincle Fallo	Notary Public				

AMBER NICHOLE FALBO
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20094024567
MY COMMISSION EXPIRES 07/31/2017

Exhibit A

Reference Map for Pooling Application

	70	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	10	70	17
	19	20	21	22	23
	30	29 Hwy 85	2N6 28	6W 27	26
	31	32 Hwy 85	33	34	35
		ያ γ 52 ₋₅	4	-3	Hwy 52
	7	8	9	10	11
emin mater at manifest side					

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 Denver, CO 80202

James Parrot Beatty & Wozniak, P.C. Attorneys for Applicant 216 16th Street, Suite 1100 Denver, Colorado 80202

Jillian Fulcher

Sandra K. Conner Trust Dated January 26, 1984 2 Osprey Circle Thornton, CO 80241 The Kurt W. Conner Family Trust, Created January 7, 2013 aka the Conner Family Trust 2797 Buckner Lane Thompsons Station, TN 97179

Nancy S. Keeth 1001 Evans Street Franklin, TN 37064 Clifford Carter And Elizabeth Carter aka Clifford D. Carter And Elizabeth A. Carter 1621 14th Street Fort Lupton, CO 80621

City of Fort Lupton 130 South Mckinley Avenue Fort Lupton, CO 80621 Philip T. Apel And Patricia Dale Apel Trust Dated April 15, 1996 40 Maraine Drive Henderson, NV 89052-6626

B.T. Griffith Wife's Trust 340 CR 239 Durango, CO 81301

Virginia K. Eggleston Trust U/A/D June 12, 1997 4 Timothy Court Novato, CA 94949

Barbara J. Conn Revocable Trust Dated July 26, 2013 135 Riverview Drive Durango, CO 81301 Robert T. Eggleston P.O. Box 4174 Pagosa Springs, CO 81157

Russell E. Steele 2704 NE 87th Street Seattle, WA 98115-3456

Jana Rae Steele 4339 1st Ct Lake Worth, FL 33462-2159

Patricia Steele 1105 Grand Avenue Everett, WA 98201-1508 Rowley Downs Land Company 260 Krameria Street Denver, CO 80220 Jacobson Family Trust 320 Gregory Drive Golden, CO 80403

Estate Of Douglas E. Breickler, Shirley Breickler, Personal Representative 15169 Nancy Avenue Fort Lupton, CO 80621

Tracy Lyn Mason 511 North Arthur Street Humansville, MO 65674

Kelly W. Scott 201 E. 368th Road Dunnegan, MO 65640

AEP 1099 18th Street, Suite 1800 Denver, CO 80202 David Breickler P.O. Box 424 Hudson, CO 80642-0424

Jackie A. Scott 3442 South 62nd Road Humansville, MO 65674

Kevin Clark Scott 11570 Scout Camp Bismarck, MO 63624

Leslie Renee Scott 511 North Arthur Street Humansville, MO 65674

Paradize, LLC 921 Indian Peak Road Golden, CO 80403

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 INTERESTS** IN ALL THREE APPROXIMATE 240-ACRE TO 400-ACRE DESIGNATED HORIZONTAL WELLBORE SPACING UNITS ESTABLISHED FOR CERTAIN PORTIONS OF SECTION 4, TOWNSHIP 1 NORTH, RANGE 66 WEST, 6TH P.M. AND SECTIONS 28 AND 33, TOWNSHIP 2 NORTH, RANGE 66 WEST, 6TH P.M., FOR THE DEVELOPMENT/OPERATION OF THE CODELL AND NIOBRARA FORMATIONS, WATTENBERG FIELD, WELD COUNTY, COLORADO

CAUSE NO. 407

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 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 May 26, 2015, 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 this and day of May, 2015.

Witness my hand and official seal.

TERESA L. PETERSON NOTARY PUBLIC STATE OF COLORADO NOTARY ID 19894002026

MY COMMISSION EXPIRES OCT.4, 2017

Notary Public