

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

|  |   |                       |
|--|---|-----------------------|
| IN THE MATTER OF THE PROMULGATION AND  | ) | CAUSE NO. 407 and 232 |
| ESTABLISHMENT OF FIELD RULES TO GOVERN | ) |                       |
| OPERATIONS IN THE WATTENBERG FIELD,    | ) | DOCKET NO. 1011-UP-62 |
| WELD COUNTY, COLORADO                  | ) |                       |

NOTICE OF HEARING

On October 19, 1981, the Commission issued Order No. 232-23 which, among other things, amended Order No. 232-20 to establish additional 320-acre drilling and spacing units and allow a second well to be drilled for production of gas and associated hydrocarbons from the “J” Sand Formation, for certain lands, including Sections 7, 8, 17, 18, and 19, Township 3 North, Range 66 West, 6<sup>th</sup> P.M., Weld County.

On November 21, 1983, the Commission issued Order No. 407-1, which, among other things, established 80-acre drilling and spacing units for certain lands, including Sections 7, 8, 17, 18, and 19, Township 3 North, Range 66 West, 6<sup>th</sup> P.M., Weld County, for production of gas and associated hydrocarbons from the Codell Formation.

On April 7, 1992, amended August 20, 1993, the Commission issued Order No. 407-87, which, among other things, established 80-acre drilling and spacing units for certain lands including Sections 7, 8, 17, 18, and 19, Township 3 North, Range 66 West, 6<sup>th</sup> P.M., Weld County, for production of gas and associated hydrocarbons from the Codell-Niobrara Formations.

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, among other things, interior infill and boundary wells to be drilled and wellbore spacing units to be established. Sections 7, 8, 17, 18, and 19, Township 3 North, Range 66 West, 6<sup>th</sup> P.M., Weld County, were included in this Rule.

On September 1, 2010, Kerr-McGee Oil & Gas Onshore LP (Kerr-McGee), by its attorneys, filed an Application with the Commission seeking an order of the Commission pooling specifically named non-consenting interests for certain described wells and future wells drilled in drilling and spacing units and designated wellbore spacing units established for the production of oil, gas and associated hydrocarbons from the Codell, Niobrara and J-Sand Formations located within portions of Sections 7, 8, 17, 18 and 19 in Township 3 North, Range 66 West, 6<sup>th</sup> P.M. in Weld County, Colorado.

Exhibit “A” to this notice is a spreadsheet of certain wells that Kerr-McGee has either drilled or is preparing to drill to produce gas from the Codell, Niobrara and J-Sand Formations. The spreadsheet also includes the land description of the spacing unit for each well. These wells are subject to Commission Order Nos. 407-87 and 232-23, and Rule 318A.

Kerr-McGee has identified the following parties as owners of unleased mineral interests in each of the wells described in Exhibit “A”:

**William Clancy, son of Georgia Kelly Clancy and William Clancy;**

**Peggy Ann Stephenson, daughter of Margaret Mauss Stephenson and Ross Stephenson; and**

**Adopted daughter, "Jane Doe," of Georgia Kelly Clancy and William Clancy,**

**(Specifically Named Parties).**

Kerr-McGee claims it has used diligent and exhaustive efforts to locate these Specifically Named Parties, but has been unable to do so. Kerr-McGee seeks to serve these Specifically Named Parties by publication of this Notice.

Kerr-McGee seeks an order pooling the Specifically Named Parties' non-consenting interests in each drilling unit for the described well(s) within that unit and for wells drilled in the future in that unit for the development and operation of the Codell, Niobrara, and J-Sand, Formations, as applicable, retroactive to the date each listed well was (or is) spudded, or to the Application date, whichever is the earliest, in accordance with C.R.S. §34-60-116 and Rule 530 of the COGCC.

Due to the time and expense of determining the names and addresses of all interested parties (which is significant based on the number of drilling units) to this Application, Kerr-McGee also requests as part of this Application that a variance under Rule 502.b. be granted to the giving of notice of this Application to all interested parties as otherwise required under Rule 503.e. Kerr-McGee states that these parties are not being force pooled and therefore they are not prejudiced by lack of specific notice. Kerr-McGee claims that Notice by publication will also protect such interests.

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

NOTICE IS HEREBY GIVEN, that the Oil and Gas Conservation Commission of the State of Colorado, pursuant to the above, has scheduled the above-entitled matter for hearing on:

Date: Monday, November 29, 2010  
Tuesday, November 30,, 2010

Time: 9:00 a.m.

Place: Suite 801, The Chancery Building  
1120 Lincoln Street  
Denver, Colorado 80203

In accordance with the Americans with Disabilities Act, if any party requires special accommodations as a result of a disability for this hearing, please contact Margaret Humecki at (303) 894-2100 ext. 5139, prior to the hearing and arrangements will be made.

Pursuant to said hearing in the above-entitled matter at the time and place aforesaid, or at any adjourned meeting, the Commission will enter such orders as it deems appropriate to protect the health, safety and welfare of the public and to prevent the waste of oil and gas, either or both, in the operations of said field, and to carry out the purposes of the statute.

**In accordance with Rule 509., any interested party desiring to protest the granting of the application or to intervene on the application should file with the Commission a written protest or intervention no later than November 12, 2010, briefly stating the basis of the protest or intervention.** Such interested party shall, at the same time, serve a copy of the protest or intervention to the person filing the application. An original and 13 copies shall be filed with the Commission. **Anyone who files a protest or intervention must be able to participate in a prehearing conference during the week of November 15, 2010.** Pursuant to Rule 503.g., if a party who has received notice under Rule 503.b. wishes to receive further pleadings in the above-referenced matter, that party must file a protest or intervention in accordance with these rules. In accordance with the practices of the Commission, should no protests or interventions be filed in this matter by **November 12, 2010, the Applicant may request that an administrative hearing be scheduled during the week of November 15, 2010.** In the alternative, pursuant to Rule 511., if the matter is uncontested, the applicant may request, and the Director may recommend approval on the basis of the merits of the verified application and the supporting exhibits.

IN THE NAME OF THE STATE OF COLORADO

OIL AND GAS CONSERVATION COMMISSION  
OF THE STATE OF COLORADO

By \_\_\_\_\_  
Carol Harmon, Secretary

Dated at Suite 801  
1120 Lincoln Street  
Denver, Colorado 80203  
November 2, 2010

Attorneys for Applicant:  
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**EXHIBIT A**  
(To Notice for COGCC Docket No. 1011-UP-62)

| WELL NAME                                       | TWN | RNG | SEC     | DRILLING AND SPACING UNIT  |
|---|-----|-----|---------|----------------------------|
| DEVON 25-8 JSND                                 | 3N  | 66W | 8       | NWSE,NESW,SWNE,SENE        |
| DEVON 25-8 CD-NB                                | 3N  | 66W | 8       | NWSE,NESW,SWNE,SENE        |
| HSR-TUTTLE 3-8 JSND                             | 3N  | 66W | 8       | W/2                        |
| HSR-TUTTLE 4-8 JSND<br>(aka TUTTLE 4-8 JSND)    | 3N  | 66W | 8       | W/2                        |
| HSR-TUTTLE 5-8 JSND<br>(aka TUTTLE 5-8A JSND)   | 3N  | 66W | 8       | W/2                        |
| HSR-TUTTLE 6-8 JSND                             | 3N  | 66W | 8       | W/2                        |
| TUTTLE INVESTMENT CO UNIT 1 JSND                | 3N  | 66W | 8       | W/2                        |
| TUTTLE J BURTON GU 1                            | 3N  | 66W | 8       | W/2                        |
| MILLER ESTATE 8-11K JSND                        | 3N  | 66W | 8       | W/2                        |
| HSR-BELLA 13-8A JSND                            | 3N  | 66W | 8       | W/2                        |
| BELLA 19-8 JSND                                 | 3N  | 66W | 8       | W/2                        |
| HSR-TUTTLE 5-8 NB-CD<br>(aka TUTTLE 5-8A NB-CD) | 3N  | 66W | 8       | S/2NW/4                    |
| HSR-TUTTLE 6-8 NB-CD                            | 3N  | 66W | 8       | S/2NW/4                    |
| HSR-TUTTLE 3-8 CD-NB                            | 3N  | 66W | 8       | N/2NW/4                    |
| HSR-TUTTLE 4-8 NB-CD<br>(aka TUTTLE 4-8 NB-CD)  | 3N  | 66W | 8       | N/2NW/4                    |
| BELLA 22-8 NB-CD                                | 3N  | 66W | 8       | S/2NW & N/2SW/4            |
| BELLA 21-8 NB-CD                                | 3N  | 66W | 8       | E/2NW & W/2NE              |
| BELLA FEDERAL 41-7 NB-CD                        | 3N  | 66W | 8 & 7   | 7: E/2NE<br>8: W/2NW       |
| BELLA FEDERAL 41-7 JSND                         | 3N  | 66W | 8 & 7   | 7: E/2NE<br>8: W/2NW       |
| HSR-STEWART 2-18 CD-NB                          | 3N  | 66W | 18      | W/2NE/4                    |
| HSR-STEWART 2-18 jsnd                           | 3N  | 66W | 18      | E/2                        |
| HSR-STEWART 7-18A CD-NB                         | 3N  | 66W | 18      | W/2NE/4                    |
| HSR-STEWART 7-18A jsnd                          | 3N  | 66W | 18      | E/2                        |
| HSR-STEWART 10-18 CD-NB                         | 3N  | 66W | 18      | W/2SE/4                    |
| HSR-STEWART 10-18A JSND                         | 3N  | 66W | 18      | E/2                        |
| HSR-SHUTT FEDERAL 1-18A J                       | 3N  | 66W | 18      | E/2                        |
| HSR-SHUTT FEDERAL 1-18A CN                      | 3N  | 66W | 18      | E/2NE/4                    |
| SHUTT FEDERAL 8-18A JSND                        | 3N  | 66W | 18      | E/2                        |
| SHUTT FEDERAL 8-18A CD-NB                       | 3N  | 66W | 18      | E/2NE/4                    |
| SHUTT 9-18 C/N                                  | 3N  | 66W | 18      | E/2SE/4                    |
| SHUTT 9-18 JSND                                 | 3N  | 66W | 18      | E/2                        |
| SHUTT FEDERAL 16-18A nb-cd                      | 3N  | 66W | 18      | E/2SE/4                    |
| SHUTT FEDERAL 16-18A jsnd                       | 3N  | 66W | 18      | E/2                        |
| HSR-CAMP 15-18 CD-NB                            | 3N  | 66W | 18      | W/2SE/4                    |
| MAUDE ANDERSON GAS UNIT 1 JSND                  | 3N  | 66W | 18      | E/2                        |
| MAUDE ANDERSON GAS UNIT 2 JSND                  | 3N  | 66W | 18      | E/2                        |
| MAUDE ANDERSON GAS UNIT 2 NB-CD                 | 3N  | 66W | 18      | SE/4                       |
| BARRON FEDERAL 24-18 NB-CD                      | 3N  | 66W | 18      | S/2NE/4 & N/2SE/4          |
| BARRON 39-18 NB-CD                              | 3N  | 66W | 18 & 17 | 18: E/2SE/4<br>17: W/2SW/4 |
| BARRON FEDERAL 37-18 NB-CD                      | 3N  | 66W | 18 & 19 | 18: S/2SE/4<br>19: N/2NE/4 |
| BARRON FEDERAL 23-18 NB-CD                      | 3N  | 66W | 18      | E/2SW & W/2SE/4            |