



KERR-McGEE OIL & GAS ONSHORE LP
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February 25, 2016

By Email and Certified Mail, Return Receipt Requested

dnr_cogccenforcement@state.co.us

Secretary of the Commission
Colorado Oil & Gas Conservation Commission
1120 Lincoln Street, Suite 801
Denver, CO 80203

Re: *Notice of Alleged Violation No. 400980802—Answer to NOAV*

Ladies and Gentlemen:

I am writing on behalf of Kerr-McGee Oil & Gas Onshore LP (“*Kerr-McGee*”) in response to the Notice of Alleged Violation referenced above (the “*NOAV*”), which was received by Kerr-McGee by mail on February 9, 2016.

The NOAV alleges that Kerr-McGee did not run an open hole resistivity log with gamma ray on the Wilson Ranch 5C-27HZ or any other well on the pad as required in the approved Form 2 Application for Permit to Drill. The NOAV required Kerr-McGee to submit a Form 4 Sundry Notice stating internal procedures that will ensure that a required Condition of Approval on a Form 2 will be met, Kerr-McGee’s plans to run a cased hole neutron log in lieu of the open hole resistivity log, and the time at which Kerr-McGee will run the cased hole neutron log. Kerr-McGee timely filed a Form 4 Sundry Notice with all of the required information.

Kerr-McGee asks the Commission to consider the information set forth in this Answer and not to impose a penalty on Anadarko, including Kerr-McGee’s demonstrated history of compliance with Commission rules, orders and permits.

Kerr-McGee self-reported to the Commission the failure to run an open hole resistivity log with gamma ray on the wells on the pad as soon as Kerr-McGee discovered that a log had not been run.

Kerr-McGee has taken prompt action to ensure that the violation will not recur. Kerr-McGee has reviewed with its staff the importance of reviewing all Conditions of Approval for all wells drilled and has especially stressed the importance of reviewing Conditions of Approval for all wells and pads when multiple pads are located in close proximity. In particular, Kerr-McGee will review all logging requirement in a multi-disciplinary pre-drilling pad meeting and Kerr-McGee’s regulatory group will provide regular reports to the Drilling and Completions group

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confirming logging Requirements. In addition, Kerr-McGee will run a cased hole neutron log in conjunction with CBL logs prior to completion operations on one well on the pad.

The NOAV states that penalties for violations will be calculated pursuant to Rule 523, with daily penalties accruing pursuant to Section 34-60-121(1) C.R.S. Anadarko asks that this violation be resolved without penalties based on the factors discussed in this letter.

Please contact Andrew Lytle on 720-929-6100 if you have any questions regarding this information. Representatives of Anadarko are available to meet with the Commission to discuss resolution of this matter.

Sincerely,

Kerr-McGee Oil & Gas Onshore LP



Diane M. Blieszner
Senior Counsel

cc: Barbara Westerdale
via email: barbara.westerdale@state.co.us