

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

IN THE MATTER OF THE APPLICATION OF)
KERR-MCGEE OIL & GAS ONSHORE LP FOR)
AN ORDER POOLING ALL INTERESTS IN)
THE NIOBRARA FORMATION IN A 400-ACRE)
DESIGNATED WELLBORE SPACING UNIT)
LOCATED IN SECTIONS 3, 4, 9 AND 10,)
TOWNSHIP 2 NORTH, RANGE 65 WEST, IN)
THE WATTENBERG FIELD, WELD COUNTY,
COLORADO

Cause No. _____

Docket No. _____

APPLICATION

COMES NOW Kerr-McGee Oil & Gas Onshore LP (referred to herein as "Applicant"), by and through its undersigned attorneys, and makes application to the Colorado Oil and Gas Conservation Commission ("Commission"), for an order to pool all interests within a designated 400-acre wellbore spacing unit for the drilling of the Van Portfliet 38N-10HZ Well, API No. 05-123-35833 ("Well") to produce oil, gas, and associated hydrocarbons from the Niobrara Formation as follows:

Township 2 North, Range 65 West, 6th P.M.

Section 3: SW $\frac{1}{4}$ SW $\frac{1}{4}$

Section 4: SE $\frac{1}{4}$ SE $\frac{1}{4}$

Section 9: E $\frac{1}{2}$ E $\frac{1}{2}$

Section 10: W $\frac{1}{2}$ W $\frac{1}{2}$

Weld County, Colorado ("Application Lands").

In support thereof, the 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 certain interests in the Application Lands.

3. On February 19, 1992, the Commission issued Order No. 407-87 (amended August 20, 1993), which among other things, established 80-acre drilling and spacing units for the production of oil, gas and associated hydrocarbons from the Niobrara Formation underlying certain lands, including the Application Lands, with the permitted well locations in accordance with the provisions of Order No. 407-1.

4. On July 9, 2012, the Commission issued Order No. 407-663, which among other things, pooled all interests in two approximate 200-acre and four approximate 400-acre designated wellbore spacing units consisting of certain lands for the

development and operation of the Codell and Niobrara Formations. The Application Lands are subject to Order No. 407-663; however Order No. 407-663 does not affect the pooling sought in this Application.

5. 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 for the Niobrara Formation.

6. Applicant designated a 400-acre wellbore spacing unit for the Well for the production of oil, gas, and associated hydrocarbons from Niobrara Formation pursuant to Rule 318A.e. and notified all owners in the proposed wellbore spacing unit pursuant to Rule 318A.e.(6). Applicant did not receive any objections to the establishment of the proposed wellbore spacing unit within the 30-day response period, and, as such, certifies to the Commission that it did not receive any objections to well location, proposed spacing unit, or proposed formations.

7. Applicant, pursuant to the provisions of C.R.S. § 34-60-116 (6) & (7) and Commission Rule 530, seeks an order pooling all interests, including but not limited to, any nonconsenting interests, in the Well in the Niobrara Formation underlying the following designated 400-acre wellbore spacing unit:

Township 2 North, Range 65 West, 6th P.M.

Section 3: SW $\frac{1}{4}$ SW $\frac{1}{4}$

Section 4: SE $\frac{1}{4}$ SE $\frac{1}{4}$

Section 9: E $\frac{1}{2}$ E $\frac{1}{2}$

Section 10: W $\frac{1}{2}$ W $\frac{1}{2}$

(hereafter "Wellbore Spacing Unit").

8. Applicant requests that the Commission's pooling order be made effective as of the earlier of the date of this Application, or the date that the costs specified in C.R.S. § 34-60-116(7)(b)(II) are first incurred for the drilling of the Well to the Niobrara Formation on the Application Lands.

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, each such interest owner not already leased or voluntarily pooled will be offered the opportunity to lease, or to participate in the drilling of the Well and will be provided with the information required by Rule 530 as applicable. The list of such interested parties is attached hereto as Exhibit A.

10. That in order to prevent waste and to protect correlative rights, all interests in the Application Lands and Wellbore Spacing Unit be pooled for the orderly development of the Niobrara Formation including any nonconsenting interests therein.

WHEREFORE, Applicant requests that this matter be set for hearing at the next available opportunity that notice be given as required by law, and that upon such hearing, the Commission enter its order:

A. Pooling all interests in the Application Lands and Wellbore Spacing Unit for the development of the Niobrara Formation.

B. Providing that the Commission's pooling order with respect to the Wellbore Spacing Unit is made effective as of the earlier of the date of this Application, or the date that the costs specified in C.R.S. § 34-60-116(7)(b)(II) are first incurred for the drilling of any well in the Wellbore Spacing Unit to the Niobrara Formation on the Application Lands.

C. 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 authorized Well are pooled by operation of statute, pursuant to C.R.S. § 34-60-116(6) and (7), and made subject to the cost recovery provisions thereof with respect to all wells drilled to develop the Niobrara Formation in the Wellbore Spacing Unit as comprised of the Application Lands.

D. For such other findings and orders as the Commission may deem proper or advisable in this matter.

WHEREFORE, Applicant respectfully requests that this matter be set for hearing in November 2012, that notice be given as required by law, and that upon such hearing, the Commission enter its order consistent with Applicant's request as set forth above.

DATED this 14 day of September, 2012.

Respectfully submitted,

KERR-MCGEE OIL & GAS ONSHORE LP

By: 

Jamie L. Jost

Elizabeth Y. Gallaway

Beatty & Wozniak, P.C.

Attorneys for Applicant

216 16th Street, Suite 1100

Denver, Colorado 80202

Address of Applicant

Kerr-McGee Oil & Gas Onshore LP

ATTN: Katie Travis Baker

1099 18th Street, Suite 1800

Denver, Colorado 80202

VERIFICATION

STATE OF COLORADO)
) ss.
CITY AND COUNTY OF DENVER)

Katie Baker, of lawful age, being first duly sworn upon oath, deposes and says that she is Landman for Kerr-McGee Oil & Gas Onshore LP and that she has read the foregoing Application and that the matters therein contained are true to the best of her knowledge, information and belief.

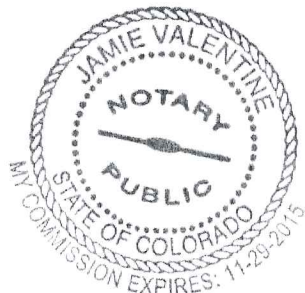
Katie Baker
Katie Baker
Kerr-McGee Oil & Gas Onshore LP

Subscribed and sworn to before this 14th day of September, 2012.

Witness my hand and official seal.

[SEAL]

My commission expires: 11/29/15



Jamie Valent
Notary Public

EXHIBIT A
Interested Parties

Don McEndaffer
1155 S. Saint Vrain Ave, #3-6
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JT
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Keith E. Key
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Littleton, CO 80128-8259

Daniel T. Moyle, Jr., P.C. and Daniel T.
Moyle, Jr. as their interests may appear
4250 South Aspen Lane
Evergreen, CO 80439

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PO BOX 46063
Denver, CO 80201

John G. Brant, Jr.
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Littleton, CO 80127

Charles S. Brant
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Denver, CO 80201

Herman Moser Jr.
3054 West Tufts Avenue
Englewood, CO 80110-5319

Noble Energy WyCo LLC
1625 Broadway, Ste 2200
Denver CO 80202

Benjamin L. Howard
617 Summit Drive
Huntington WV 25701-4845

Stephen Donald Katchen
10277 Profeta Ct
Las Vegas, NV 89135

Heirs of the Estate of Herschel Katchen
4249 Dan Wood Dr.
Westlake Village, CA 91362

Randall J. Gombein
8131 Stratford Dr.
St. Louis, MO 63105

Jodi E. Marynowski
PSC 45, Box 534
APO, Arkansas 09468

Sandra Lea Van Portfliet
2501 Krameria
Denver, CO 80642

Richard J. Des Jardins, Jr. and
Madeleine Des Jardins, Trustees of the
Richard J. Des Jardins and Madeline
Des Jardins Living Trust Dates August
1, 1998
214 Running Springs Dr.
Palm Desert, CA 92211

Kathryn Lingenfelter Thompson
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June Jennings
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George S. Philpott
661 Sortais
Durango, CO 81301

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AFFIDAVIT OF MAILING

STATE OF COLORADO)
)ss.
CITY AND COUNTY OF DENVER)

Elizabeth Y. Gallaway of lawful age, and being first duly sworn upon her oath, states and declares:

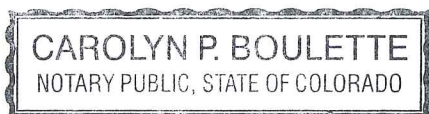
That she is the attorney for Kerr-McGee Oil & Gas Onshore LP, that on or before September 24, 2012, she caused a copy of the attached Application to be deposited in the United States Mail, postage prepaid, addressed to the parties listed on Exhibit A to the Application.


Elizabeth Y. Gallaway

Subscribed and sworn to before me September 17 2012.

Witness my hand and official seal.

My commission expires: October 22, 2015.



My Comm. Expires October 22, 2015


Notary Public