

**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 POOL ALL INTERESTS IN AN )  
APPROXIMATE 480-ACRE DESIGNATED )  
WELLBORE SPACING UNIT ESTABLISHED )  
FOR SECTIONS 22 AND 27, TOWNSHIP 1 )  
NORTH, RANGE 67 WEST, P.M. FOR THE )  
NIOBRARA FORMATION, WATTENBERG )  
FIELD, WELD COUNTY, COLORADO )

Cause No. \_\_\_\_\_

Docket No. \_\_\_\_\_

**APPLICATION**

COMES NOW Kerr-McGee Oil & Gas Onshore LP (referred to herein as "Applicant"), by its attorneys, Beatty & Wozniak, P.C., and makes this application to the Oil and Gas Conservation Commission of the State of Colorado ("Commission") for an order pooling all interests in an approximate 480-acre designated wellbore spacing unit for the drilling of the Xcel 25N-22HZ Well (API No. Pending) ("Well") for the development of the Niobrara Formation on the following described lands:

Township 1 North, Range 67 West, 6<sup>th</sup> P.M.

Section 22: W $\frac{1}{2}$ SE $\frac{1}{4}$ , E $\frac{1}{2}$ SW $\frac{1}{4}$

Section 27: W $\frac{1}{2}$ E $\frac{1}{2}$ , E $\frac{1}{2}$ W $\frac{1}{2}$

Weld County, Colorado (hereinafter "Application Lands").

In support thereof, 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 leasehold 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 and/or gas 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 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.

5. Applicant designated an approximate 480-acre wellbore spacing unit as defined below, for the production of oil, gas, and associated hydrocarbons from the Niobrara Formation pursuant to Rule 318A. and notified the appropriate parties under Rule 318A.

6. Applicant, pursuant to Commission Rule 530 and/or the provisions of C.R.S. § 34-60-116 (6) and (7), hereby requests an order to pool all interests, including but not limited to, any nonconsenting interests, in the Application Lands for the development of the Niobrara Formation underlying the following 480-acre designated wellbore spacing unit:

Township 1 North, Range 67 West, 6<sup>th</sup> P.M.

Section 22: W $\frac{1}{2}$ SE $\frac{1}{4}$ , E $\frac{1}{2}$ SW $\frac{1}{4}$

Section 27: W $\frac{1}{2}$ E $\frac{1}{2}$ , E $\frac{1}{2}$ W $\frac{1}{2}$

(hereafter, "the Wellbore Spacing Unit").

7. 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.

8. 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.

9. That in order to prevent waste and to protect correlative rights, all interests in the Wellbore Spacing Unit should 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 the Wellbore Spacing Unit for the development of the Niobrara Formation.

B. Providing that the Commission's pooling order is made effective as of the earlier of the date of this Application, or the date that any of 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.

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 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 the Well drilled to develop the Niobrara Formation in the Wellbore Spacing Unit comprising 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 June, 2013, 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 18<sup>th</sup> day of April, 2013.

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: Gordon R. Palmer  
1099 18<sup>th</sup> Street, Suite 1800  
Denver, Colorado 80202

## VERIFICATION

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

Gordon R. Palmer, of lawful age, being first duly sworn upon oath, deposes and says that he is Staff Landman 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.

Gordon R. Palmer  
Kerr-McGee Oil & Gas Onshore LP

Subscribed and sworn to before this 18<sup>th</sup> day of April, 2013.

Witness my hand and official seal.

[SEAL]

My commission expires: \_\_\_\_\_

~~Notary Public~~

**EXHIBIT A**  
**Interested Parties**

ANADARKO E&P ONSHORE, LLC  
1099 18th STREET, SUITE 1800  
DENVER, CO 80202

BARBARA A. EBERHART TRUST,  
DATED MARCH 18, 1996  
2525 CREIGHTON DRIVE  
GOLDEN, CO 80401

KRISANNA L. BLYLER NKA  
KRISANNA L. MACHTMES  
1052 Masterson Drive  
BATON ROUGE, LA 70810

JOYCELIN BERGT  
PO BOX 1021  
WHEATRIDGE, CO 80033

MARGOT ROSKOP  
15455 N TWIN LAKES DRIVE  
TUCSON, AZ 85739-8734

THE ESTATE OF DOROTHEA J. JONES  
404 S. 30TH STREET, #213  
LARAMIE, WY 82070-5158  
(NO WILL – NO PROBATE CHILDREN  
OF DOROTHEA J. JONES)

KATHERINE KIESEL AS HEIR(S) OF THE ESTATE  
OF DOROTHEA J. JONES  
954 MCCUE #57  
LARAMIE, WY 82073

NANNETTE SHULER AS HEIR(S) OF THE ESTATE  
OF DOROTHEA J. JONES  
5231 GREENWOOD LANE  
MOBILE, AL 36608

BRIAN JONES AS HEIR(S) OF THE ESTATE OF  
DOROTHEA J. JONES  
3445 S. 176TH ST., #302  
SEA-TAC, WA 98188

KERR-MCGEE ROCKY MOUNTAIN CORPORATION  
NKA KERR-MCGEE OIL & GAS ONSHORE LP  
1099 18TH STREET, SUITE 1800  
DENVER, CO 80202

JOANN A. WIDHALM  
386 N 12TH AVE, BRIGHTON  
CO 80601-1532

THE ESTATES OF ALBERT F. SACK AKA ALBERT  
SACK AND ANNE V. SACK  
119 CR 15  
BRIGHTON, CO 80603

DONALD R. GASPAR  
303 RD 161  
PINE BLUFFS, WY 82082

JOANN W. WAGNER  
2529 WCR 21  
FORT LUPTON, CO 80621

ROBERT L. HAYNIE REVOCABLE TRUST U/A  
DATED DECEMBER 20, 1991, ROBERT L. HAYNIE  
AND JAMES D. HANEGAN, TRUSTEES  
C/O HANEGAN & ASSOC.  
1625 BROADWAY, SUITE 800  
DENVER, CO 80202

KERR-MCGEE OIL & GAS ONSHORE, LP  
1099 18<sup>TH</sup> STREET, SUITE 1800  
DENVER, CO 80202

CHRISTOPHER EDWARDS  
PO BOX 21270  
OKLAHOMA CITY, OK 73156-1270

MADANT ENERGY, LLC  
PO BOX 100728  
DENVER, CO 80250

STRATEX OIL & GAS HOLDINGS  
30 ECHO LAKE ROAD  
WATERTOWN, CT 06795

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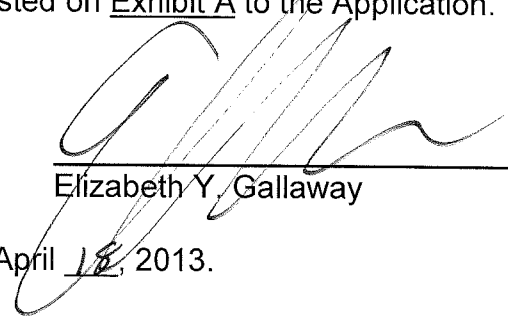
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**AFFIDAVIT OF MAILING**

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:

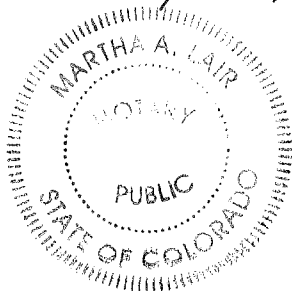
That she is the attorney for Kerr-McGee Oil & Gas Onshore LP, that on or before April 29, 2013, she caused a copy of the attached Application to be deposited in the United States Mail, postage prepaid, addressed to the parties listed on Exhibit A to the Application.

  
\_\_\_\_\_  
Elizabeth Y. Gallaway

Subscribed and sworn to before me April 18, 2013.

Witness my hand and official seal.

My commission expires: April 16, 2016.



  
\_\_\_\_\_  
Notary Public