

IN THE MATTER OF THE APPLICATION OF)
KERR-MCGEE OIL & GAS ONSHORE LP FOR)
AN ORDER TO POOL ALL INTERESTS IN)
FIVE 280-ACRE TO 560-ACRE DESIGNATED)
WELLBORE SPACING UNITS ESTABLISHED)
FOR IN FIVE DESIGNATED WELLBORE)
SPACING UNITS LOCATED IN SECTIONS 20,)
29, AND 32 TOWNSHIP 1 NORTH, RANGE 67)
WEST, FOR THE CODELL AND NIOBRARA)
FORMATIONS , WATTENBERG FIELD, WELD)
COUNTY, COLORADO)

Docket No. _____

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 five designated wellbore spacing units to produce oil, gas, and associated hydrocarbons from the Codell and Niobrara Formations for the following described lands:¹

Howard 3C-29HZ: Township 1 North, Range 67 West, 6th P.M.
 Section 20: SE $\frac{1}{4}$ SW $\frac{1}{4}$ (WSU#4 – 280-acres)
 Section 29: E $\frac{1}{2}$ W $\frac{1}{2}$
 Section 32: E $\frac{1}{2}$ NW $\frac{1}{4}$

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Howard 28N-29HZ

Township 1 North, Range 67 West, 6th P.M.

Section 20: SW $\frac{1}{4}$ SE $\frac{1}{4}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$ (WSU#5 – 560-acres)

Section 29: W $\frac{1}{2}$ E $\frac{1}{2}$, E $\frac{1}{2}$ W $\frac{1}{2}$

Section 32: W $\frac{1}{2}$ NE $\frac{1}{4}$, E $\frac{1}{2}$ NW $\frac{1}{4}$

Weld County, Colorado (together “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 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 Codell and Niobrara Formations.

5. Pursuant to Rule 318A.e, Applicant designated three 560-acre wellbore spacing units for the Howard 29N-29HZ Well, the Howard 29C-29HZ Well, and the Howard 28N-29HZ Well, and two 280-acre wellbore spacing units for the Howard 3N-29HZ Well and the Howard 3C-29HZ Well, respectively, for the production of oil, gas, and associated hydrocarbons from Codell and Niobrara Formations, as applicable. Applicant notified all owners in each proposed wellbore spacing unit pursuant to Rule 318A.e.(6), as applicable. Applicant did not receive any objections to the establishment of the proposed wellbore spacing units 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.

6. 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 Howard 29N-29HZ Well for development and operation of the Niobrara Formation underlying the following designated 560-acre wellbore spacing unit:

Township 1 North, Range 67 West, 6th P.M.
Section 20: S $\frac{1}{2}$ SW $\frac{1}{4}$ (WSU#1)
Section 29: W $\frac{1}{2}$
Section 32: NW $\frac{1}{4}$

7. Applicant, pursuant to the provisions of C.R.S. § 34-60-116 (6) & (7) and Commission Rule 530, also seeks an order pooling all interests, including but not limited to, any nonconsenting interests, in the Howard 29C-29HZ Well for development and operation of the Codell Formation underlying the following designated 560-acre wellbore spacing unit:

Township 1 North, Range 67 West, 6th P.M.
Section 20: S $\frac{1}{2}$ SW $\frac{1}{4}$ (WSU#2)
Section 29: W $\frac{1}{2}$
Section 32: NW $\frac{1}{4}$

8. Applicant, pursuant to the provisions of C.R.S. § 34-60-116 (6) & (7) and Commission Rule 530, also seeks an order pooling all interests, including but not limited to, any nonconsenting interests, in the Howard 3N-29HZ Well for development and operation of the Niobrara Formation underlying the following designated 280-acre wellbore spacing unit:

Township 1 North, Range 67 West, 6th P.M.
Section 20: SE $\frac{1}{4}$ SW $\frac{1}{4}$ (WSU#3)
Section 29: E $\frac{1}{2}$ W $\frac{1}{2}$
Section 32: E $\frac{1}{2}$ NW $\frac{1}{4}$

9. Applicant, pursuant to the provisions of C.R.S. § 34-60-116 (6) & (7) and Commission Rule 530, also seeks an order pooling all interests, including but not limited to, any nonconsenting interests, in the Howard 3C-29HZ Well for development and operation of the Codell Formation underlying the following designated 280-acre wellbore spacing unit:

Township 1 North, Range 67 West, 6th P.M.
Section 20: SE $\frac{1}{4}$ SW $\frac{1}{4}$ (WSU#4)
Section 29: E $\frac{1}{2}$ W $\frac{1}{2}$
Section 32: E $\frac{1}{2}$ NW $\frac{1}{4}$

10. Applicant, pursuant to the provisions of C.R.S. § 34-60-116 (6) & (7) and Commission Rule 530, also seeks an order pooling all interests, including but not limited to, any nonconsenting interests, in the Howard 28N-29HZ Well for development and operation of the Niobrara Formation underlying the following designated 560-acre wellbore spacing unit:

Township 1 North, Range 67 West, 6th P.M.
Section 20: SW $\frac{1}{4}$ SE $\frac{1}{4}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$ (WSU#5)
Section 29: W $\frac{1}{2}$ E $\frac{1}{2}$, E $\frac{1}{2}$ W $\frac{1}{2}$

Section 32: W½NE¼, E½NW¼

11. 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 Howard 29N-29HZ Well, the Howard 29C-29HZ Well, the Howard 3N-29HZ Well, the Howard 3C-29HZ Well, and the Howard 28N-29HZ Well ("Wells") to the Codell and Niobrara Formations, as applicable.

12. 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 Wells 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.

13. That in order to prevent waste and to protect correlative rights, all interests in each WSU#1 through WSU#5 be pooled for the orderly development of the Codell and Niobrara Formations, as applicable, 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 Howard 29N-29HZ Well and WSU#1 for the development of the Niobrara Formation.

B. Providing that the Commission's pooling order with respect to WSU#1 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 the Howard 29N-29HZ in WSU#1 to the Niobrara Formation.

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 Howard 29N-29HZ 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 WSU#1.

D. Pooling all interests in the Howard 29C-29HZ Well and WSU#2 for the development of the Codell Formation.

E. Providing that the Commission's pooling order with respect to WSU#2 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 the Howard 29C-29HZ Well in WSU#2 to the Codell Formation.

F. 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 Howard 29C-29HZ 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 Codell Formation in WSU#2.

G. Pooling all interests in the Howard 3N-29HZ Well and WSU#3 for the development of the Niobrara Formation.

H. Providing that the Commission's pooling order with respect to WSU#3 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 the Howard 3N-29HZ Well in WSU#3 to the Niobrara Formation.

I. 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 Howard 3N-29HZ 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 WSU#3.

J. Pooling all interests in the Howard 3C-29HZ Well and WSU#4 for the development of the Codell Formation.

K. Providing that the Commission's pooling order with respect to WSU#4 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 the Howard 3C-29HZ Well in WSU#4 to the Codell Formation.

L. 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 Howard 3C-29HZ 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 Codell Formation WSU#4.

M. Pooling all interests in the Howard 28N-29HZ Well and WSU#5 for the development of the Niobrara Formation.

N. Providing that the Commission's pooling order with respect to WSU#5 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 the Howard 28N-29HZ Well in WSU#5 to the Niobrara Formation.

O. 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 Howard 28N-29HZ 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 WSU#5.

P. 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 1st 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

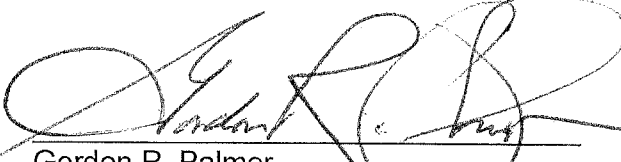
Address of Applicant

Kerr-McGee Oil & Gas Onshore LP
ATTN: Gordon R. Palmer
1099 18th 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.



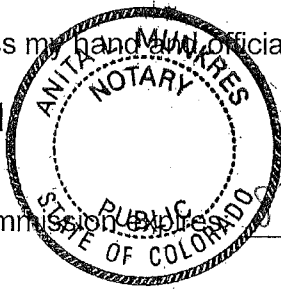
Gordon R. Palmer
Kerr-McGee Oil & Gas Onshore LP

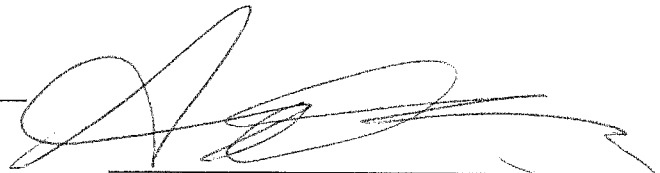
Subscribed and sworn to before this ____ day of April, 2013.

Witness my hand and official seal.

[SEAL]

My commission expires





Notary Public

EXHIBIT A
Interested Parties

D&C Farms, LLP
8709 Weld County Rd 4
Brighton, CO 80601

D&C Farms, LLP, Life Estate
for the Lives of Carol C. Howard, Donald Fary
Howard, John Edward Howard, and Marla Sue
Howard
8709 Weld County Road 4
Brighton, CO 80601

D. Gary Howard and
Donna Howard
8739 Weld County Road 4
Brighton, CO 80601

John E. Howard and
Diana G. Howard
8679 Weld County Road 4
Brighton, CO 80601

Christopher R. Howard and
Virginia Howard
773 County Road 17
Brighton, CO 80601

Martha M. Gaspar Living Trust
1418 Mariposa Avenue
Boulder, CO 80302

Dorothy M. Jacobucci and V. Gary Jacobucci
5895 Weld County Road 2
Brighton, CO 80603

Anadarko E&P Onshore, LLC
1099 18th Street, Suite 1800
Denver, CO 80202

Kerr-McGee Oil & Gas Onshore, LP
1099 18th Street, Suite 1800
Denver, CO 80202

David L. Glardon &
Cynthiann Glardon
1303 Lashley
Longmont, CO 80501

Arlyn E. Glardon
6989 Weld County Road 6
Brighton, CO 80603
Martha J. Quenzer
7193 Weld County Road 6
Brighton, CO 80603
Ruth E. Macy and Daniel R. Macy
24814 165th Street
Glenwood, MN 56334

Jane L. Kalina and
Kurtis D. Kalina
1989 58th Street
Vinton, IA 52349

Timothy A. Totems and
Janice L. Totems
7173 WCR 6
Brighton, CO 80601

Nancy H. Fichter
8706 Weld County Road 8
Brighton, CO 80603

Tanya Lockman-Leeper
7253 Weld County Road 6
Brighton, CO 80603

Alvin Keith Fichter
8706 Weld County Road 8
Brighton, CO 80603

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 TO POOL ALL INTERESTS IN)
FIVE 280-ACRE TO 560-ACRE DESIGNATED)
WELLBORE SPACING UNITS ESTABLISHED)
FOR IN FIVE DESIGNATED WELLBORE)
SPACING UNITS LOCATED IN SECTIONS 20,)
29, AND 32 TOWNSHIP 1 NORTH, RANGE 67)
WEST, FOR THE CODELL AND NIOBRARA)
FORMATIONS, WATTENBERG FIELD, WELD)
COUNTY, COLORADO)

Cause No. _____

Docket No. _____

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:

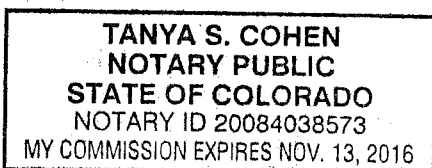
That she is the attorney for Kerr-McGee Oil & Gas Onshore LP, that on or before April 26, 2013, she caused a copy of the attached Application to be deposited in the United States Mail, postage prepaid, addressed to the parties listed on Exhibit A to the Application.


Elizabeth Y. Gallaway

Subscribed and sworn to before me April 27, 2013.

Witness my hand and official seal.

My commission expires: 11/13/16.




Notary Public

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 TO POOL ALL INTERESTS IN)
FIVE 280-ACRE TO 560-ACRE DESIGNATED)
WELLBORE SPACING UNITS ESTABLISHED)
FOR IN FIVE DESIGNATED WELLBORE)
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29, AND 32 TOWNSHIP 1 NORTH, RANGE 67)
WEST, FOR THE CODELL AND NIOBRARA)
FORMATIONS, WATTENBERG FIELD, WELD)
COUNTY, COLORADO)

Cause No. 407

Docket No. 1306-UP-110

SUPPLEMENTAL 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 and that on or before May 13, 2013 she caused a copy of the above-captioned Application to be deposited in the United States Mail, postage prepaid, addressed to the parties listed below.

Arlyne E. Glardon
6989 Weld County Road 6
Brighton, CO 80603

James L. Glardon
6743 Weld County Rd 6
Brighton, CO 80603

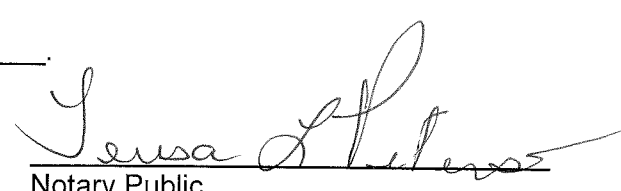

Elizabeth Y. Gallaway

Subscribed and sworn to before me May 13, 2013.

Witness my hand and official seal.

My commission expires 10-04-13.




Notary Public