

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)
TWO 320-ACRE DESIGNATED WELLBORE)
SPACING UNITS ESTABLISHED FOR)
SECTIONS 22 AND 23, TOWNSHIP 3 NORTH,)
RANGE 66 WEST, FOR THE CODELL AND)
NIOBRARA FORMATIONS, 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 two approximate 320-acre designated wellbore spacing units for the drilling of the Farley 2C-23HZ Well, (API No. 05-123-36311), and the Farley 28N-23HZ Well (API No. 05-123-36308 f.k.a. Farley 2N-23HZ) (collectively "Wells") for the production of oil, gas, and associated hydrocarbons from the Codell and Niobrara Formations for the following described lands:

Township 3 North, Range 66 West, 6th P.M.

Section 23: E $\frac{1}{2}$ (WSU#1 - Farley 2C-23HZ)

Section 23: E $\frac{1}{2}$ W $\frac{1}{2}$, W $\frac{1}{2}$ E $\frac{1}{2}$ (WSU#2 - Farley 28N-23HZ)

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 entered 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 Codell and Niobrara Formations 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 two 320-acre wellbore spacing units for the Farley 2C-23HZ Well and the Farley 28N-23HZ Well for the production of oil, gas, and associated hydrocarbons from Codell and Niobrara Formations respectively. 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 Farley 2C-23HZ Well for development and operation of the Codell Formation underlying the following designated 320-acre wellbore spacing unit:

Township 3 North, Range 66 West, 6th P.M.
Section 23: E $\frac{1}{2}$ (WSU#1 - Farley 2C-23HZ)

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 Farley 2C-23HZ Well to the Codell Formation.

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 Farley 28N-23HZ Well for development and operation of the Niobrara Formation underlying the following designated 320-acre wellbore spacing unit:

Township 3 North, Range 66 West, 6th P.M.
Section 23: E $\frac{1}{2}$ W $\frac{1}{2}$, W $\frac{1}{2}$ E $\frac{1}{2}$ (WSU#2 - Farley 28N-23HZ)

9. 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 Farley 28N-23HZ Well to the Niobrara Formation.

10. 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.

11. That in order to prevent waste and to protect correlative rights, all interests in WSU#1 and WSU#2 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 Farley 2C-23HZ Well and WSU#1 for the development of the Codell 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 Farley 2C-23HZ Well in WSU#1 to the Codell 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 Farley 2C-23HZ 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#1.

D. Pooling all interests in the Farley 28N-23HZ Well and WSU#2 for the development of the Niobrara 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 Farley 28N-23HZ Well in WSU#2 to the Niobrara 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 Farley 28N-23HZ 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#2.

G. 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 July 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 30th day of May, 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: James C. Colligan

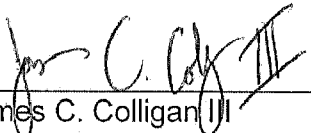
1099 18th Street, Suite 1800

Denver, Colorado 80202

VERIFICATION

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

James C. Colligan III, of lawful age, being first duly sworn upon oath, deposes and says that he is 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.



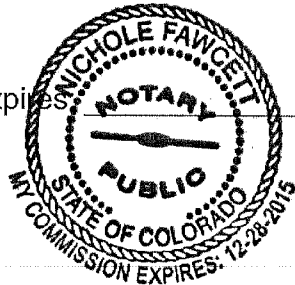
James C. Colligan III
Kerr-McGee Oil & Gas Onshore LP


Subscribed and sworn to before this 28 day of May, 2013.

Witness my hand and official seal.

[SEAL]

My commission expires _____





Notary Public

EXHIBIT A
Interested Parties

Madant Energy, LLC
3751 S. Pontiac
Denver, CO 80237

Robert C. Newman
950 Woodland Pass SE
Smyrna, GA 30082

Gregory Family Trust
PO Box 6817
Moraga, CA 94570

Robert B. Tenison
1925 Hospital Place
Abilene, TX 79606

Clyde L. and Cornelia E. Raisley
605 40th Avenue
Greeley, CO 80634

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

Christopher Edwards
13853 Quail Pointe Drive
Oklahoma City, OK 73134

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

Foster Dennis
600 Haverkamp Drive
Glendale, CA 91206

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)
TWO 320-ACRE DESIGNATED WELLBORE)
SPACING UNITS ESTABLISHED FOR)
SECTIONS 22 AND 23, TOWNSHIP 3 NORTH,)
RANGE 66 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 June 7, 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.

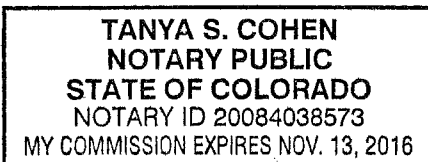


Elizabeth Y. Gallaway

Subscribed and sworn to before me May 30, 2013.

Witness my hand and official seal.

My commission expires: 11/13/2016.





Notary Public

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

IN THE MATTER OF THE APPLICATION OF KERR-) CAUSE NO.
MCGEE OIL & GAS ONSHORE LP FOR AN)
ORDER TO POOL ALL INTERESTS IN THREE 320-) DOCKET NO.
ACRE DESIGNATED WELLBORE SPACING UNITS)
ESTABLISHED FOR SECTIONS 22 AND 23,)
TOWNSHIP 3 NORTH, RANGE 66 WEST, FOR THE)
CODELL AND NIOBRARA FORMATIONS,)
WATTENBERG FIELD, WELD COUNTY,)
COLORADO)


SUPPLEMENTAL AFFIDAVIT OF MAILING

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

Jamie L. Jost, of lawful age, and being first duly sworn upon her oath, states and declares:

14, 2013 she is the attorney for Kerr-McGee Oil & Gas Onshore, LP and that on or before June 14, 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.

Madant Energy, LLC
3651 S. Pontiac Way
PO Box 100728
Denver, CO 80250

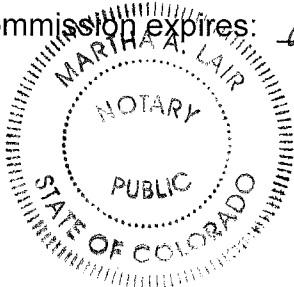


Jamie L. Jost

Subscribed and sworn to before me June 14, 2013.

Witness my hand and official seal.

My commission expires: April 16, 2016.





Notary Public