

**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  
TWO APPROXIMATE 240-ACRE DESIGNATED  
WELLBORE SPACING UNITS IN SECTIONS 21  
AND 22, TOWNSHIP 3 NORTH, RANGE 68  
WEST, 6TH P.M., FOR THE CODELL AND  
NIOBRARA FORMATIONS, WATTENBERG  
FIELD, WELD COUNTY, COLORADO

CAUSE NO.

DOCKET NO.

**APPLICATION**

COMES NOW Kerr-McGee Oil & Gas Onshore LP ("Applicant"), by its attorneys, Jost & Shelton Energy Group, P.C., and makes this application to the Oil and Gas Conservation Commission of the State of Colorado ("Commission") for an order to pool all interests within two approximate 240-acre Wellbore Spacing Units ("WSU") for the drilling of the McKinstry 7N-21HZ Well (API No. 05-123-36500) in WSU #1 and the McKinstry 7C-21HZ Well, (API No. 05-123-36506) in WSU #2 ("Wells") for the development of the Codell and Niobrara Formations on the following described lands:

Township 3 North, Range 68 West, 6<sup>th</sup> P.M.      WSU #1  
Section 21: S $\frac{1}{2}$ NE $\frac{1}{4}$   
Section 22: S $\frac{1}{2}$ N $\frac{1}{2}$

Township 3 North, Range 68 West, 6<sup>th</sup> P.M.      WSU #2  
Section 21: S $\frac{1}{2}$ NE $\frac{1}{4}$   
Section 22: S $\frac{1}{2}$ N $\frac{1}{2}$

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

In support thereof, Applicant states and alleges as follows:

1. Applicant is a corporation 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 and/or gas from the Niobrara Formation underlying certain lands, with the permitted well locations in accordance with the

provisions of Order No. 407-1 and allowed downhole commingling of production from the Codell and Niobrara Formations.

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.

5. Applicant designated the two 240-acre Wellbore Spacing Units, as defined below, for the production of oil, gas, and associated hydrocarbons from the Codell and Niobrara Formations pursuant to Rule 318A. and notified the appropriate parties under Rule 318A.

6. Applicant, pursuant to the provisions of C.R.S. § 34-60-116(6), hereby requests an order to pool all interests in the Application Lands in the Codell and Niobrara Formations underlying the following two approximate 240-acre designated wellbore spacing units:

Township 3 North, Range 68 West, 6<sup>th</sup> P.M.      WSU #1  
Section 21: S $\frac{1}{2}$ NE $\frac{1}{4}$   
Section 22: S $\frac{1}{2}$ N $\frac{1}{2}$

Township 3 North, Range 68 West, 6<sup>th</sup> P.M.      WSU #2  
Section 21: S $\frac{1}{2}$ NE $\frac{1}{4}$   
Section 22: S $\frac{1}{2}$ N $\frac{1}{2}$

(hereafter "Wellbore Spacing Unit").

7. Applicant requests that the Commission's pooling order be made effective as of the date of this Application.

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 Wells.

9. That in order to prevent waste and to protect correlative rights, all interests in the Wellbore Spacing Units should be pooled for the orderly development of the Codell and Niobrara Formations.

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. All interests in the Wellbore Spacing Units are pooled by operation of statute, pursuant to C.R.S. § 34-60-116(6), to develop the Codell and Niobrara Formations in the Wellbore Spacing Units comprising the Application Lands.

B. 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 March 2014, 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: January 16, 2014.

Respectfully submitted:

**Kerr-McGee Oil & Gas Onshore LP**

By: \_\_\_\_\_

  
Jamie L. Jost  
Joseph M. Evers  
Jost & Shelton Energy Group, P.C.  
Attorneys for Applicant  
1675 Larimer St., Suite 1400  
Denver, Colorado 80202  
(720) 379-1812

Applicant's Address:

Kerr-McGee Oil & Gas Onshore LP  
ATTN: Jason Rayburn  
1099 18<sup>th</sup> Street, Suite 1800  
Denver, CO 80202

VERIFICATION

STATE OF COLORADO )

) ss.

CITY AND COUNTY OF DENVER )

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

Name: Jason Rayburn

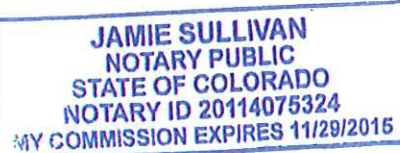
Title: Landman

Kerr-McGee Oil & Gas Onshore LP

Subscribed and sworn to before me this 15<sup>th</sup> day of January 2014.

Witness my hand and official seal.

[SEAL]



My commission expires: 11/29/15

Jamie Sullivan

Notary Public

IN THE MATTER OF THE APPLICATION OF  
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CITY AND COUNTY OF DENVER )

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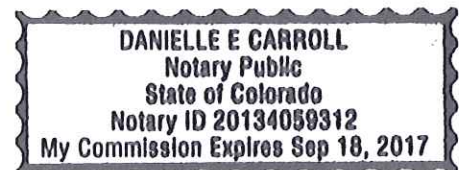
Subscribed and sworn to before me this 16 day of January 2014.

[SEAL]

My commission expires: 9/18/17

Commission expires: 9/18/17  
*Danielle Carroll*  
 Notary Public

Notary Public



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

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

\*BP America Production Company  
P.O. Box 696493  
San Antonio, TX 78269-6493

Jim H. McKinstry Trust U/A dated October  
25, 1979  
3750 WCR 32  
Mead, CO 80542

Lynda L. McKinstry Trust U/A dated June  
14, 2001  
3750 WCR 32  
Mead, CO 80542

The Highland Ditch Company  
P.O. Box 649  
Mead, CO 80542-0649

Timothy E. Rosatti  
14500 Weld CR 7  
Mead, CO 80542

Tracey E. Ochs  
14500 Weld CR 7  
Mead, CO 80542

Walter and Linda Diehl, JT  
14748 County Road 7  
Mead, CO 80542-9687

Roderick C. Bowman  
14710 CR 7  
Mead, CO 80542

Neil and Linda Poole, JT  
14626 County Road 7  
Mead, CO 80542-9687

Gary Whiteford  
P.O. Box 279  
Mead, CO 80542-0279

Colleen Whiteford  
P.O. Box 279  
Mead, CO 80542-0279

Michael and Kathleen O'Leary, JT  
13670 Via Varra, Apt 216  
Broomfield, CO 80020

Matthew and Heidi Feula, JT  
128 Hunters Cove Road  
Mead, CO 80542

Frank and Roberta Grimaldi, JT  
P.O. Box 14  
Longmont, CO 80502

Timothy and Nancy Cain, JT  
263 Hunters Cove Drive  
Mead, CO 80542

Steven and Sharon Bailey, JT  
6030 Canyon Springs Place  
Colorado Springs, CO 80918-8152

Karl and Elise Thomas, JT  
260 Hunters Cove Drive  
Mead, CO 80542-9661

James and Deborah Plumb, JT  
113 Hunters Cove Road  
Mead, CO 80542-9663  
Jeffrey and Lori McKuster, JT  
115 Hunters Cove Road  
Mead, CO 80542

James and Danean Burglin, JT  
117 Hunters Cover Road  
Mead, CO 80542-9663

Dwayne and Carla Edling, JT  
119 Hunters Cove Road  
Mead, CO 80542-9663

Randall and Wendolyn Wilson, JT  
P.O. Box 1531  
Longmont, CO 80502-1531

Jim Mechalke, Jr. and Cheryl Mechalke, JT  
P.O. Box 424  
Mead, CO 80542-0424

Gerald and Natalie Abshier, JT  
125 Hunters Cove Road  
Mead, CO 80542-9663

Michael and Kelly Marshall, JT  
127 Hunters Cove Road  
Mead, CO 80542-9663

Lawrence and Sharon Budler, JT  
P.O. Box 447  
Mead, CO 80542

Arthur and Denise Bart, JT  
131 Hunters Cove Road  
Mead, CO 80542-9663

Ronny and Diane Stevens, JT  
133 Hunters Cove Road  
Mead, CO 80542-9663

Guy and Jami DeJane, JT  
14518 County Road 7  
Mead, CO 80542-9687

Ochsner Farm Investment  
ATTN: CHUCK OCHSNER  
5440 Ward Road  
Arvada, CO 80002

Clinton J. Kuyper and Loretta A. Kuyper, JT  
361 Hunters Ridge Drive  
Mead, CO 80542-9664

Margaret R. Seufert  
363 Hunters Ridge Drive  
Mead, CO 80542-9664

Richard Charles Rowan and Shannon Marie  
Rowan, JT  
365 Hunters Ridge Drive  
Mead, CO 80542-9664

James M. Powell  
P.O. Box 710  
Mead, CO 80542-0710

Madonna J. Powell  
P.O. Box 710  
Mead, CO 80542-0710

Michael G. Williams and  
Janelle R. Williams, JT  
14663 County Road 7  
Mead, CO 80542-9650

Joseph L. Darmofal and  
Susan K. Darmofal, JT  
14613 County Road 7  
Mead, CO 80542-9650

Michael J. Tarver and  
Lorraine W. Tarver, JT  
14515 County Road 7  
Mead, CO 80542-9650

John E. Wilson and Kathy E. Wilson, JT  
14501 County Road 7  
Mead, CO 80542-9650

James K. Wilson and Kristie G. Wilson, JT  
2676 Grace Way  
Mead, CO 80542-9600

Mark A. Eberl and Jacquelyn Eberl, JT  
P.O. Box 668  
Mead, CO 80542



Eden's Reserve Homeowners' Association,  
Inc.  
2708 Grace Way  
Mead, CO 80542

Great Western Railway Company  
C/O Landrail LLC  
50 South Steel Street, Suite 374  
Denver, CO 80209

Grizzly Petroleum Company, LLC  
1700 Broadway, Suite 650  
Denver, CO 80290