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 IN SECTIONS 22, 23 AND 24, TOWNSHIP 3 NORTH, RANGE 68 WEST, 6TH P.M., FOR THE NIOBRARA FORMATION, 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 an approximate 480-acre wellbore spacing unit for the drilling of the Reynolds Cattle Company 32N-23HZ Well, (API No. Pending) ("Well") for the development of the Niobrara Formation on the following described lands:

Township 3 North, Range 68 West, 6th P.M.

Section 22: SE¼NE¼, NE¼SE¼

Section 23: S½N½, N½S½

Section 24: SW1/4NW1/4, NW1/4SW1/4

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 the drilling of horizontal wells.

- 5. Applicant designated the 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 the provisions of C.R.S. § 34-60-116(6), hereby requests an order to pool all interests in the Application Lands in the Niobrara Formation underlying the following approximate 480-acre designated wellbore spacing unit:

Township 3 North, Range 68 West, 6th P.M.

Section 22: SE1/4NE1/4, NE1/4SE1/4

Section 23: S½N½, N½S½

Section 24: SW1/4NW1/4, NW1/4SW1/4

(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 Well.
- 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.

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 Unit are pooled by operation of statute, pursuant to C.R.S. § 34-60-116(6), to develop the Niobrara Formation in the Wellbore Spacing Unit 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 April 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: February 27, 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: Jamie Sullivan

1099 18th Street, Suite 1800

Denver, CO 80202

VERIFICATION

VENITOATION	
STATE OF COLORADO)) ss.
CITY AND COUNTY OF DENVER)
says she is Staff Landman - DJ Bas	ge, being first duly sworn upon oath, deposes and in for Kerr-McGee Oil & Gas Onshore LP, and that on and that the matters therein contained are true to and belief.
	Law mm

Subscribed and sworn to before me this <u>27+h</u> day of February 2014.

Witness my hand and official seal.

[SEAL]

My commission expires: 3 - 15 - 2016

Wielins Notary Public

Nancy McDonald

Staff Landman – DJ Basin

Kerr-McGee Oil & Gas Onshore LP

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 IN SECTIONS 22. 23 AND 24, TOWNSHIP 3 NORTH, RANGE 68 WEST, 6TH P.M., FOR THE NIOBRARA FORMATION, WATTENBERG FIELD, WELD COUNTY, COLORADO

CAUSE NO.

DOCKET NO.

Notary ID 20134059312 My Commission Expires Sep 18, 2017

AFFIDAVIT OF MAILING

STATE OF COLORADO))ss.
CITY AND COUNTY OF DENVER)
declare that I am the attorney for Kerrbefore the day of Mar	d being first duly sworn upon my oath, state and McGee Oil & Gas Onshore LP, and that on or ch, 2014, I caused a copy of the attached I States Mail, postage prepaid, addressed to the t.
	Jamie L. Jost
Subscribed and sworn to before me this $\underline{\omega}$	27 day of February 2014.
Witness my hand and official seal.	
[SEAL]	
My commission expires: 9/18/19	DANIELLE E CARROLL Notary Public State of Colorado Notary ID 20134059312 My Commission Expires Sep 18, 201 Notary Public

Exhibit A

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

Donald C. Hilgers Revocable Living Trust dated 8/31/04 2322 S. Rogers #20 Mesa, AZ 85202

Donald C. Hilgers 2322 S. Rogers #20 Mesa, AZ 85202

Colorado Department of Transportation Property Leasing Mgr: DAVID FOX 4201 East Arkansas Ave., Room 212 Denver, CO 80222

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

Lynda L. McKinstry Trust U/A dated 6/14/01 3750 Weld County Road 32 Mead, CO 80542

Longmont United Hospital Foundation P.O. Box 1159 Longmont, CO 80502

Zeek Partnership, LLLP P.O. Box 189 Mead, CO 80452

Realty Income Corporation 600 La Terraza Blvd Escondido, CA 92025 Devisee(s) of the Estate of Theodore J. Rademacher c/o Louis J. Rademacher 13184 WCR 13 Longmont, CO 80501

Louis J. and Frances J. Rademacher, Trustees of the Rademacher Living Trust dated 3-3-1994 13184 WCR 13 Longmont, CO 80501

Rademacher Trust LLC P.O. Box 978 Longmont, CO 80502-0978

Rosemary Ann Ames 7075 Brigadoon Drive Longmont, CO 80503

Edward C. and Magdalen Rademacher Living Trust dtd 5-19-1993 2439 Eagleview Circle Longmont, CO 80504

Teresa M. Applehans 11335 Franklin Street Denver, CO 80233

Rita M. Regnier 1325 11th Ave. Longmont, CO 80501

Helen P. Wadle 9631 Majestic Drive Longmont, CO 80504

Theodore A. Rademacher 10227 Echo Circle Longmont, CO 80504 Robert M. Rademacher 13774 E I-25 Frontage Road Longmont, CO 80504

Josephine E. Warren 12795 Columbine Drive Longmont, CO 80504

Heirs of Pearl M. Nauman Nauman Family LLC 5660 Dudley Street Arvada, CO 80002

PBR Properties Joint Venture P.O. Box 2802 Midland, TX 79702

Colorado Land Services, LLC 1051-D West Highway 34 Loveland, CO 80537

Kings Court Properties, LLLP 224 Mulligan Lake Drive Mead, CO 80542

Jay Swanson Residuary Trust Jeffery W. Rankin, Successor Trustee 900 Rockmead Drive, Unit 102 Kingwood, TX 77339

Gilbert C. Swanson, Jr. and Nancy L. Swanson 300 Riverview Court Longmont, CO 80501

Gilbert C. Swanson Testamentary Trust c/o Farmers National, Co-Agent P. O. Box 3480 Omaha, NE 68103-0480

LN Real Estate LLC 801 Second Avenue, Ste # 1300 Seattle, WA 98104 Garage Storage II, LLC 4075 Camelot Cir Unit 200 Longmont, CO 80504

Robert M., Janice M. and Theodore A. Rademacher 13774 E I-25 Frontage Road Longmont, CO 80504

The Reynolds Cattle Co. P.O. Box 675 Longmont, CO 80502

The Leeper Family Revocable Trust 7290 Magnolia Street Commerce City, CO 80022

Barbara M. White 549 Longhurst Place Brighton, CO 80601 Esther K. Offen P.O. Box 706 Eagle, CO 81631

Zundel, LLC 2510 White Wing Road Johnstown, CO 80534

John E. White 2032 Meadow Vale Road Longmont, CO 80504

4064 Camelot, LLC c/o Bruce E. Miller HC 62, Box 61 Raton, NM 87740

Apollo, LLC c/o Anton Dworak P. O. Box 978 Longmont, CO 80501

Kristine Bowyer 1651 Doppler Street Strasburg, CO 80136 Kim Scaff 21931 East Ridge Trail Circle Aurora, CO 80016

Investors Independent Trust Company Trustee of George S. Reynolds Marital Trust P.O. Box 8052 Boulder, CO 80306-8052

Guaranty Bank and Trust Company Trustee of George S. Reynolds Marital Trust 1331 17th Street, Suite 345 Denver, CO 80202

Anadarko E&P Onshore LLC 1018 18th Street, Suite 1800 Denver, CO 80202

Benson Farms, LLC c/o William B. Woods 530 Holyoke Court Fort Collins, CO 80525-7022

Centennial Mineral Holdings, LLC 5950 Cedar Springs Rd, Suite 200 Dallas, TX 75235

Marcia L. Green Trust 1049 Harrison Avenue Loveland, Colorado 80537

Sharyl J. Harston Revocable Trust c/o 4725 S. Monaco Street, Suite 205 Denver, CO 80237

Woods Family Trust c/o 4725 S. Monaco Street, Suite 205 Denver, CO 80237

Gary Woods Family Trust c/o 4725 S. Monaco Street, Suite 205 Denver, CO 80237 Maxica Group, LLC 6788 Harvest Road Boulder, CO 80301

HP-Farms Royalty, LLC 6850 TPC Drive, Suite 202 McKinney, TX 75070

William B. Preston Living Trust U/A 08/26/97
William B. and Linda L. Preston, Trustees
11904 Arbor Street, Suite 200
Omaha, NE 68114

Two Sisters, LLC 1712 Pioneer Avenue, Suite 470 Cheyenne, WY 82001

Next Energy, LLC c/o The Fleischaker Companies 100 Broadway, Suite 2460 Oklahoma City, OK 73102

R.L. Zinn et al #2, Ltd. 3400 Bissonnet, Suite 250 Houston, TX 77005

Peyton Energy, LP 6850 TPC Drive, Suite 202 McKinney, TX 75070

Kleimor Energy, LLC 8451 East Oregon Place Denver, CO 80231

Sidney Moran 18 Hudson Circle Houston, TX 77024

Jasmine Moran Children's Museum Foundation, Inc. P.O. Box 1828 Seminole, OK 74818-1828 Harvey Katz and Mireille Katz, JTROS 5161 San Felipe, Suite 2325 Houston, TX 77056

AW et al c/o Alan Woodbury 4641 Wild Indigo, #441 Houston, TX 77027

Wattenberg III, LP 150 Filbert Avenue #4 Sausalito, CA 94965

Sealark Investments, LLC 4900 Woodway Drive, Suite 800 Houston, TX 77056

Flower South Beach, LLC c/o Emerald Development Managers LP 909 Third Avenue New York, NY 10022

Madant Energy, LLC P.O. Box 100728 Denver, CO 80250