

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

IN THE MATTER OF AN APPLICATION BY KERR- )  
MCGEE OIL & GAS ONSHORE LP FOR AN ORDER ) CAUSE NO. 407  
POOLING ALL INTERESTS IN FIVE APPROXIMATE 240- )  
ACRE TO 480-ACRE DESIGNATED HORIZONTAL ) DOCKET NO. *To be assigned*  
WELLBORE SPACING UNITS LOCATED IN PORTIONS )  
OF SECTIONS 21, 28 AND 33, TOWNSHIP 3 NORTH, )  
RANGE 65 WEST, 6<sup>TH</sup> P.M., FOR THE )  
DEVELOPMENT/OPERATION OF THE CODELL AND )  
NIOBRARA FORMATIONS, WATTENBERG FIELD, )  
WELD COUNTY, COLORADO )

APPLICATION

Kerr-McGee Oil & Gas Onshore LP ("Kerr-McGee" or "Applicant", Operator No. 47120), by and through its attorneys, Beatty & Wozniak, P.C., respectfully submits this Application to the Oil and Gas Conservation Commission of the State of Colorado (the "Commission") for an order pooling all interests in five approximate 240-acre to 480-acre horizontal wellbore spacing units established for portions of Sections 21, 28 and 33, Township 3 North, Range 65 West, 6<sup>th</sup> P.M., for development and operation of the Codell and Niobrara Formations. In support of its Application, 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 substantial leasehold interests in the below-listed lands:

Township 3 North, Range 65 West, 6<sup>th</sup> P.M.

Section 21: SE $\frac{1}{4}$  SW $\frac{1}{4}$   
Section 28: E $\frac{1}{2}$  W $\frac{1}{2}$   
Section 33: NE $\frac{1}{4}$  NW $\frac{1}{4}$

*Weld County, Colorado*

*Wellbore Spacing Unit ("WSU") No. 1*

Township 3 North, Range 65 West, 6<sup>th</sup> P.M.

Section 21: S $\frac{1}{2}$  SW $\frac{1}{4}$   
Section 28: W $\frac{1}{2}$   
Section 33: N $\frac{1}{2}$  NW $\frac{1}{4}$

*Weld County, Colorado*

*WSU Nos. 2-4*

Township 3 North, Range 65 West, 6<sup>th</sup> P.M.

Section 21: SW $\frac{1}{4}$  SW $\frac{1}{4}$   
Section 28: W $\frac{1}{2}$  W $\frac{1}{2}$   
Section 33: NW $\frac{1}{4}$  NW $\frac{1}{4}$

*Weld County, Colorado*

*WSU No. 5*

These lands are hereinafter collectively referred to as the "Application Lands" and depicted in Exhibits A-1 through A-3 attached hereto.

3. 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.

4. Pursuant to Rule 318A., Applicant designated an approximate 240-acre horizontal wellbore spacing unit, comprised of WSU #1, for the Milk 14N-28HZ well (API No. Pending) for the production of oil, gas and associated hydrocarbons from the Niobrara Formation. Applicant notified all owners in the proposed wellbore spacing unit pursuant to Rule 318A.e.(6). Applicant did not receive any objections to the establishment of the proposed wellbore spacing unit within the 30-day response period.

5. Pursuant to Rule 318A., Applicant also designated an approximate 480-acre horizontal wellbore spacing unit, comprised of WSU #2, for the Milk 35N-28HZ well (API No. Pending) for the production of oil, gas and associated hydrocarbons from the Niobrara Formation. Applicant notified all owners in the proposed wellbore spacing unit pursuant to Rule 318A.e.(6). Applicant did not receive any objections to the establishment of the proposed wellbore spacing unit within the 30-day response period.

6. Pursuant to Rule 318A., Applicant also designated an approximate 480-acre horizontal wellbore spacing unit, comprised of WSU #3, for the Skim 35C-28HZ well (API No. Pending) for the production of oil, gas and associated hydrocarbons from the Codell Formation. Applicant notified all owners in the proposed wellbore spacing unit pursuant to Rule 318A.e.(6). Applicant did not receive any objections to the establishment of the proposed wellbore spacing unit within the 30-day response period.

7. Pursuant to Rule 318A., Applicant also designated an approximate 480-acre horizontal wellbore spacing unit, comprised of WSU #4, for the Skim 35N-28HZ well (API No. Pending) for the production of oil, gas and associated hydrocarbons from the Niobrara Formation. Applicant notified all owners in the proposed wellbore spacing unit pursuant to Rule 318A.e.(6). Applicant did not receive any objections to the establishment of the proposed wellbore spacing unit within the 30-day response period.

8. Pursuant to Rule 318A., Applicant also designated an approximate 240-acre horizontal wellbore spacing unit, comprised of WSU #5, for the Skim 13N-28HZ well (API No. Pending) for the production of oil, gas and associated hydrocarbons from the Niobrara Formation. Applicant notified all owners in the proposed wellbore spacing unit pursuant to Rule 318A.e.(6). Applicant did not receive any objections to the establishment of the proposed wellbore spacing unit within the 30-day response period.

9. The Milk 14N-28HZ well, Milk 35N-28HZ well, Skim 35C-28HZ well, Skim 35N-28HZ well, and the Skim 13N-28HZ well are hereinafter referred to as "Subject Wells."

10. Acting pursuant to the applicable Colorado statutes and COGCC regulations, Applicant seeks an order pooling all interests, including, but not limited to, any nonconsenting interests and leased mineral interests, in five approximate 240-acre to 480-acre horizontal wellbore spacing units established for the Application Lands for the development and operation of the Codell and Niobrara Formations.

11. Applicant requests that the pooling order entered as a result of this Application be made effective as of the date of this Application.

12. Further, Applicant requests that any nonconsenting interests with whom the Applicant has been unable to secure a lease or other agreement to participate in the drilling of the Subject Wells, are made subject to the cost recovery provisions of §34-60-116(7), C.R.S.

13. The granting of this Application is in accord with the Oil and Gas Conservation Act, found at §§34-60-101, *et seq.*, C.R.S., and the Commission rules.

14. Applicant requests that relief granted under this Application should be effective on oral order by the Commission, and Applicant hereby agrees to be bound by said oral order.

15. That the names and addresses of the interested parties (persons who own any interest in the mineral estate of the tracts to be pooled, except owners of overriding royalty interest) according to the information and belief of the Applicant are set forth in Exhibit B attached hereto. The Applicant shall submit a certificate of service for the Application within the seven days as required by Rule 503.e.

WHEREFORE, Applicant respectfully requests that this matter be set for hearing, that notice be given as required by law and that upon such hearing, this Commission enter its order:

A. Pooling all interests in five approximate 240-acre to 480-acre horizontal wellbore spacing units established for the Application Lands, for the development and operation of the Codell and Niobrara Formations, with the pooling order made effective as of the date of this Application.

B. Providing that the nonconsenting 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 Subject Wells, are pooled by operation of statute, pursuant to §34-60-116(6) & (7), C.R.S., and made subject to the cost recovery provisions thereof.

C. For such other findings and orders as the Commission may deem proper or advisable in the premises.

DATED this 17<sup>th</sup> day of November, 2014.

Respectfully submitted,

**KERR-MCGEE OIL & GAS ONSHORE LP**

By:   
Robert A. Willis (Colorado Bar No. 26038)  
Jillian Fulcher (Colorado Bar No. 45010)  
Beatty & Wozniak, P.C.  
Attorneys for Applicant  
216 16th Street, Suite 1100  
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(303) 407-4499  
rwillis@bwenergylaw.com  
jfulcher@bwenergylaw.com

Address of Applicant  
Kerr-McGee Oil & Gas Onshore LP  
ATTN: Anita Munkres  
1099 18<sup>th</sup> Street, Suite 1800  
Denver, Colorado 80202

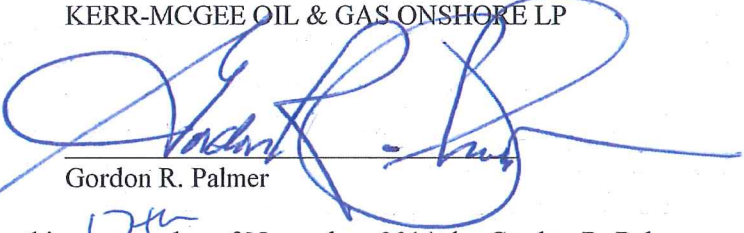
VERIFICATION

STATE OF COLORADO  
CITY & COUNTY OF DENVER

)  
) ss.  
)

Gordon R. Palmer, Staff Landman for Kerr-McGee Oil & Gas Onshore LP, upon oath deposes and says that he has read the foregoing Application and that the statements contained therein are true to the best of his knowledge, information and belief.

KERR-MCGEE OIL & GAS ONSHORE LP

  
Gordon R. Palmer

Subscribed and sworn to before me this 17<sup>th</sup> day of November, 2014, by Gordon R. Palmer, Staff Landman for Kerr-McGee Oil & Gas Onshore LP.

Witness my hand and official seal.

My commission expires: 8/18/2015



  
Notary Public

Sections 21, 28 and 33, T3N R65W  
Weld County, WSO #1

Exhibit A-1  
Application Map

Application Lands - 

|    |    |    |                  |    |
|----|----|----|------------------|----|
| 17 | 16 | 15 | 14               | 13 |
|    |    |    | <b>T3N, R65W</b> |    |
| 20 | 21 | 22 | 23               | 24 |
|    |    |    |                  |    |
| 29 | 28 | 27 | 26               | 25 |
|    |    |    |                  |    |
| 32 | 33 | 34 | 35               | 36 |
|    |    |    |                  |    |

Sections 21, 28 and 33, T3N R65W  
Weld County, WSU #2, #3 and #4

**Exhibit A-2**  
Application Map

Application Lands -



|    |    |    |                  |    |
|----|----|----|------------------|----|
| 17 | 16 | 15 | 14               | 13 |
|    |    |    | <b>T3N, R65W</b> |    |
| 20 | 21 | 22 | 23               | 24 |
|    |    |    |                  |    |
| 29 | 28 | 27 | 26               | 25 |
|    |    |    |                  |    |
| 32 | 33 | 34 | 35               | 36 |
|    |    |    |                  |    |



Sections 21, 28 and 33, T3N R65W  
Weld County, WSO #5

**Exhibit A-3**  
Application Map



Application Lands -

|    |    |    |           |    |
|----|----|----|-----------|----|
| 17 | 16 | 15 | 14        | 13 |
| 20 | 21 | 22 | T3N, R65W | 24 |
| 29 | 28 | 27 | 26        | 25 |
| 32 | 33 | 34 | 35        | 36 |

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POOLING ALL INTERESTS IN TWO APPROXIMATE 240- )  
ACRE TO 480-ACRE DESIGNATED HORIZONTAL ) DOCKET NO. *To be assigned*  
WELLBORE SPACING UNITS LOCATED IN PORTIONS )  
OF SECTIONS 20, 21, 28, 29, 32 AND 33, TOWNSHIP 3 )  
NORTH, RANGE 65 WEST, 6<sup>TH</sup> P.M., FOR THE )  
DEVELOPMENT/OPERATION OF THE CODELL AND )  
NIOBRARA FORMATIONS, WATTENBERG FIELD, )  
WELD COUNTY, COLORADO )

AFFIDAVIT OF MAILING

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

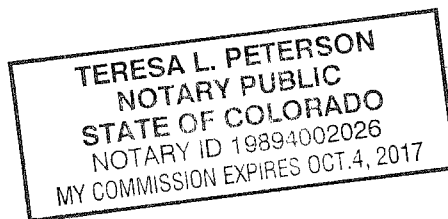
Jennifer Pittenger, of lawful age, and being first duly sworn upon her oath, states and declares:

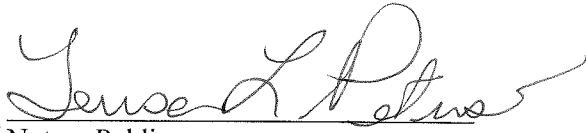
That she is a Legal Assistant at Beatty & Wozniak, P.C., attorneys for Kerr-McGee Oil & Gas Onshore LP, and on or before November 24, 2014, caused a copy of the attached Application to be deposited in the United States Mail, postage prepaid, addressed to the parties listed on Exhibit B to the Application.

  
Jennifer Pittenger

Subscribed and sworn to before me this 20<sup>th</sup> day of November, 2014.

Witness my hand and official seal.



  
Notary Public



## EXHIBIT B

### INTERESTED PARTIES

The names and addresses of the interested parties (persons who own any interest in the mineral estate of the tracts to be pooled, except owners of overriding royalty interest) according to the information and belief of the Applicant are set forth in this Exhibit B.

MCENDAFFER MINERALS, LLC, A  
COLORADO LIMITED LIABILITY COMPANY  
1155 S. SAINT VRAIN AVE APT 3-6  
ESTES PARK, CO 80517-5449

JOSEPH F. ZUFALL AND  
LAVETA A. ZUFALL  
PO BOX 62  
DOUGLAS, WY 82633-0062

KEITH E. KEY  
7930 WEST FAIRVIEW AVENUE  
LITTLETON, CO 80128-8259

DANIEL T. MOYLE, JR., P.C. AND DANIEL T.  
MOYLE, JR AS THEIR INTERESTS MAY APPEAR  
4250 SOUTH ASPEN LANE  
EVERGREEN, CO 80439

JOHN G. BRANT  
PO BOX 46063  
DENVER, CO 80201

JOHN G. BRANT, JR  
9 RED BIRCH  
LITTLETON, CO 80127

CHARLES S. BRANT  
PO BOX 46063  
DENVER, CO 80201

NORMAN A. MOSER, DECEASED  
PO BOX 495  
HUDSON, CO 80642

MIKE & JIM KRUSE PARTNERSHIP, A  
COLORADO PARTNERSHIP  
72 CASCADE AVENUE  
ALAMOSA, CO 81101

CAROL J. BUTTERFIELD  
18195 MORGAN COUNTY ROAD 17 3/10  
FORT MORGAN, CO 80701

RICHARD L. HYDE  
105 MORNINGSIDE DRIVE  
GREER, SC 29651

BARBARA J. SCOFIELD  
5601 WEST 18TH STREET, #49  
GREELEY, CO 80634

NORMA MALMBORG  
5008 HOY ROAD  
CHEYENNE, WY 82009

JILL C. HOLMES  
2558 S DILLON ST.  
AURORA, CO 800014

DANIEL G. LORENZ  
903 NE 127TH STREET  
PORTLAND, OR 97230

DENNIS W. GRAY  
11267 S CHOUTEAU ST.  
OLATHE, KS 66061

ERVIN DALE GRAY  
20321 HIGHWAY Y  
MILAN, MO 63556

JODI L. DANIELS  
312 SW WALLULA AVE.  
GRESHAM, OR 97080

NANCY D. ADLER  
4008 BOXELDER  
LOVELAND, CO 80538

SANDRA L. DOLL  
1958 BALSAM AVE.  
GREELEY, CO 80631

JACK R. SLAPPER  
2513 STONEWALL LANE  
FORT WORTH, TX 76123

JAMES G. WEST  
518 WOOSIDE DRIVE  
HIDEAWAY, TX 75771

SHIRLEY A. WEST  
2686 PARK COURT  
LOVELAND, CO 80538

KATHALEEN ANN EASTMAN-LORENZ  
PO BOX 1863  
LIHUE, HI 96766

CAMDEN CAROL LORENZ  
PO BOX 1863  
LIHUE, HI 96766

ANADARKO E&P ONSHORE, LP NKA  
ANADARKO E&P ONSHORE, LLC  
1099 18TH STREET, SUITE 1800  
DENVER, CO 80202

BENSON MINERAL GROUP, INC.  
1560 BROADWAY, SUITE 1900  
DENVER CO 80202

JAMES D. BROWNLIE  
475 17TH STREET, #980  
DENVER, CO 80202

RAY O. BROWNLIE  
475 17TH STREET, SUITE 1300  
DENVER, CO 80202

JERRY D. ARMSTRONG  
475 17TH STREET, SUITE 1300  
DENVER, CO 80202

DENNIS C. LUNDIN AND KATHY CARTER-  
LUNDIN, CO-TRUSTEES OF THE LUNDIN  
FAMILY TRUST DATED FEBRUARY 7, 1996  
4605 EAST TAYLOR ROAD  
DENAIR, CA 95316-9715

J & C WEBB FAMILY TRUST  
(JOSEPH AND CARMELA WEBB)  
1242 SANTA FE CIRCLE  
FRUITA, CO 81521

MR. ROY T. WARDELL  
16512 ESSEX ROAD NORTH  
PLATTEVILLE, COLORADO 80651

RUSSELL B. LORENZ  
PO BOX 1175  
JENKS, OK 74037

MORGAN JANE LORENZ  
PO BOX 1863  
LIHUE, HI 96766

WILLIAM H. LORENZ  
4050 WYOMING STATE HIGHWAY 158  
TORRINGTON, WY 82240

WARDELL FAMILY LTD., LLLP  
C/O JAY H. WARDELL,  
7 MEADOW ROSE LANE  
LITTLETON, CO 80127

KENNETH A. BREITENBACH  
410 17TH STREET, #1151  
DENVER, CO 80202

JOHN R. WALLACE  
5131 JUNIPER STREET  
BOW MAR, CO 80123

PINEY CREEK PROPERTIES, LLC  
106 CAYUSE COURT  
SHERIDAN WY 82801

JAMES B. WALLACE  
475 17TH STREET, SUITE 1300  
DENVER, CO 80202

FRANK H. WEBB  
5808 W 17TH STREET  
GREELEY, CO 80634

JAMES H. WEBB  
7214 S YARROW STREET  
LITTLETON, CO 80128