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 FOUR APPROXIMATE)	
240-ACRE TO 480-ACRE DESIGNATED HORIZONTAL)	DOCKET NO. To be assigned
WELLBORE SPACING UNITS LOCATED IN PORTIONS)	
OF SECTION 4, TOWNSHIP 1 NORTH, RANGE 67 WEST,)	
6 TH P.M., AND SECTIONS 28 AND 33, TOWNSHIP 2)	
NORTH, RANGE 67 WEST, 6 TH 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 four approximate 240-acre to 480-acre horizontal wellbore spacing units established for portions of Section 4, Township 1 North, Range 67 West, 6th P.M. and Sections 28 and 33, Township 2 North, Range 67 West, 6th P.M., for development and operation of the Codell and Niobrara Formations. In support of its Application, Applicant states and alleges as follows:

- 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.
 - Applicant owns substantial leasehold interests in the below-listed lands: 2.

Township 1 North, Range 67 West, 6th P.M. Section 4: NW1/4NE1/4

Township 2 North, Range 67 West, 6th P.M.

Section 28: SW1/4SE1/4

Section 33: W½E½

Weld County, Colorado Wellbore Spacing Unit ("WSU") No. 1

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

Section 4: N1/2NE1/4

Township 2 North, Range 67 West, 6th P.M.

Section 28: S½SE¼

Section 33: $E\frac{1}{2}$

Weld County, Colorado

WSU Nos. 2 and 3

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

Section 4: NE¼NE¼ Township 2 North, Range 67 West, 6th P.M.

Section 28:

SE1/4SE1/4

Section 33:

 $E\frac{1}{2}E\frac{1}{2}$

Weld County, Colorado

WSU No. 4

These lands are hereinafter collectively referred to as the "Application Lands" and depicted in <u>Exhibits A-1</u> 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 Hunziker 2N-4HZ 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 Hunziker 27C-4HZ 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.
- 6. Pursuant to Rule 318A., Applicant also designated an approximate 480-acre horizontal wellbore spacing unit, comprised of WSU #3, for the Hunziker 1N-4HZ 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.
- 7. Pursuant to Rule 318A., Applicant also designated an approximate 240-acre horizontal wellbore spacing unit, comprised of WSU #4, for the Hunziker 26N-4HZ 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. The Hunziker 2N-4HZ well, the Hunziker 27C-4HZ well, the Hunziker 1N-4HZ well, and the Hunziker 26N-4HZ well are hereinafter referred to as "Subject Wells."
- 9. 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 four 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.
- 10. Applicant requests that the pooling order entered as a result of this Application be made effective as of the date of this Application.

- Further, Applicant requests that any nonconsenting interests with whom the 11. 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.
- 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.
- Applicant requests that relief granted under this Application should be effective on 13. oral order by the Commission, and Applicant hereby agrees to be bound by said oral order.
- 14. 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 four 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.

By:

DATED this day of November, 2014.

Respectfully submitted,

KERR-MCGEE OIL & GAS ONSHORE LP

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

Denver, Colorado 80202

(303) 407-4499

rwillis@bwenergylaw.com

jfulcher@bwenergylaw.com

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

VERIFICATION

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

Jim Grant, 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

Jim Grant

Subscribed and sworn to before me this day of November, 2014, by Jim Grant, Staff Landman for Kerr-McGee Oil & Gas Onshore LP.

Witness my hand and official seal.

My commission expires:

Notary Public

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	
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NORTH, RANGE 67 WEST, 6 TH P.M., FOR THE)	
DEVELOPMENT/OPERATION OF THE CODELL AND)	
NIOBRARA FORMATIONS, WATTENBERG FIELD,)	
WELD COUNTY, COLORADO)	
AFFIDAVIT OF MAILING	
CTATE OF COLORADO	
STATE OF COLORADO)	
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 ____ day of

day of November, 2014.

Witness my hand and official seal.

TERESAL

NOTARY PUBLIC STATE OF COLORAUD

NOTARY ID 1880

MY COMMISSION EXPIRES OCT.4, 2017

Notary Public

T1N R67W and T2N R67W Weld County, WSU #1 Application Lands -

Exhibit A-1Application Map

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Application Lands -

T1N R67W and T2N R67W Weld County, WSU #2 and #3

Exhibit A-2 Application Map

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T1N R67W and T2N R67W Weld County, WSU #4

Exhibit A-3Application Map

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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.

SPECTRA ENERGY TRANSPORT AND TRADING COMPANY, LLC 900 REPUBLIC PLAZA 370 17TH STREET DENVER, CO 80202

C&M RESOURCES, LLC 16 SUNSET CIRCLE LONGMONT, CO 80501-5212

THE ESTATE OF MARIAN J. STRATTON, FKA MARIAN J. BOTTINELLI, FKA MARIAN JOHNSON BOTTINELLI GRANT, GRANT & GOIRAN LLP 426 COFFMAN STREET, SUITE 200 PO BOX 908 LONGMONT, CO 80502-0908

DUKE ENERGY NGL SERVICES, LLC 370 17TH STREET, SUITE 2500 DENVER, CO 80202

MARVIN C. HEIN 5290 E. YALE CIRCLE #103 DENVER, CO 80222 GARY L. HEIN PO BOX 290 GOLDENDALE, WA 98620

RICHARD L. HEIN 5290 E. YALE CIRCLE #103 DENVER, CO 80222 TERRY A. HEIN BOX 148 RAPID VIEW SK, CANADA SOM 2M0

DEBORAH Y. HEIN 1324 ROXBURY COURT JACKSON, MS 39211

LISA C. HEIN 1322 ROXBURY COURT JACKSON, MS 39211

STACY M. HEIN 5201 MEMORIAL DRIVE, #203 HOUSTON, TX 77007 SARAH N. HEIN AKA SARAH N. STINSON 280 S 17TH AVENUE DRIVE BRIGHTON CO 80601

BAYSWATER BLENHEIM HOLDINGS, LLC 730 17TH STREET, SUITE 610 DENVER, CO 80202

BAYSWATER EXPLORATION & PRODUCTION, LLC 730 17TH STREET, SUITE 610 DENVER, CO 80202

SHIRLEY TYLER 18625 N. 35TH PLACE PHOENIX, AZ 85050 BUD W. HUNZIKER 7037 ROAD 19 FORT LUPTON, CO 80621-9025

JOYCE M. HUNZIKER 7037 ROAD 19 FORT LUPTON, CO 80621-9025 KIMBERLY RICHMEIER & LAWRENCE J. RICHMEIER, JT 8511 WELD COUNTY ROAD 16 FORT LUPTON, CO 80621

PUBLIC SERVICE COMPANY OF COLORADO RIGHT OF WAY & PERMITS DEPT 1800 LARIMER ST., STE 1400 DENVER, CO 80202

GITTLEIN FAMILY FARMS, LLC 5820 WELD COUNTY ROAD 19 FORT LUPTON, CO 80621

JACK G. HANKS 1725 SOUTH 50TH #603 WEST DES MOINES, IA 50265 JANICE S OVERTON AKA JANICE SUE OVERTON 314 COMMON PARK DRIVE CAMARILLO, CA 93012 SUCKLA FARMS, INC., A COLORADO CORPORATION FOR THE LIFE OF THE SURVIVIOR OF FRANK J. SUCKLA NAD EDITH C. SUCKLA REMAINDER TO ELIZABETH A. WILSON 4468 WELD COUNTY ROAD 19 FORT LUPTON, CO 80621

SUCKA FARMS INC. 4468 WELD COUNTY ROAD 19 FORT LUPTON, CO 80621

JOHN P. HEFFERN AND CHRISTINE E. HEFFERN 8560 WELD COUNTY ROAD 16 FORT LUPTON, CO 80621

SUCKA FARMS, INC., A COLORADO CORPORATION FOR THE LIFE OF THE SURVIVIOR OF FRANK J. SUCKLA NAD EDITH C. SUCKLA REMAINDER TO JOHN P. HEFFERN AND CHRISTINE E. HEFFERN 4468 WELD COUNTY ROAD 19 FORT LUPTON, CO 80621

ELIZABETH A. WILSON PO BOX 268 WATKINS, CO 80137