

**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 MODIFY PORTIONS OF ORDER NO. 407-962 TO AMEND THE UNIT ACREAGE FOR THE ESTABLISHED DESIGNATED HORIZONTAL WELLBORE SPACING UNIT IN SECTIONS 14, 15, 16, 21, 22 AND 23, TOWNSHIP 3 NORTH, RANGE 68 WEST, 6TH P.M., FOR THE NIOBRARA FORMATION, WATTENBERG FIELD, WELD COUNTY, COLORADO

CAUSE NO.

DOCKET NO.

TYPE:

APPLICATION

COMES NOW Kerr-McGee Oil & Gas Onshore LP (Operator No. 47120) ("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 modify Order No. 407-962, which pools all interests in an approximate 480-acre designated horizontal wellbore spacing unit for the drilling of the McKinstry 28N-21HZ Well (API No. 05-123-37009). Applicant requests to modify the acreage calculation of the wellbore spacing unit found in Order No. 407-962 from 480 acres, to 560 acres. Specifically, Applicant requests to include the SW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 14, and the NW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 23, Township 3 North, Range 68 West, 6th P.M., to Order No. 407-962. The modified Application Lands, as defined below, will comprise 560 acres and allow for the development of the Niobrara Formation. 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 leasehold interests in the following lands (throughout as "Application Lands"):

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

Section 14: SW $\frac{1}{4}$ SW $\frac{1}{4}$

Section 15: S $\frac{1}{2}$ S $\frac{1}{2}$

Section 16: S $\frac{1}{2}$ SE $\frac{1}{4}$

Section 21: N $\frac{1}{2}$ NE $\frac{1}{4}$

Section 22: N $\frac{1}{2}$ N $\frac{1}{2}$

Section 23: NW $\frac{1}{4}$ NW $\frac{1}{4}$

560 acres, more or less, Weld County, Colorado.

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.

4. 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 Niobrara Formation underlying certain lands, including the Application Lands, with the permitted well locations in accordance with the provisions of Order No. 407-1.

5. On March 17, 2014, the Commission entered Order No. 407-960, which among other things, approves the request for an order to pool all interests, including leased mineral interests, in two approximate 480-acre designated wellbore spacing units established for certain lands in Sections 21 and 22, Township 3 North, Range 68 West, 6th P.M., for the development and operation of the Codell and Niobrara Formations. Order No. 407-960 does not affect this Application.

6. On March 17, 2014, the Commission entered Order No. 407-961, which among other things, approves the request for an order to pool all interests, including leased mineral interests, in two approximate 240-acre designated wellbore spacing units established for certain lands in Sections 21 and 22, Township 3 North, Range 68 West, 6th P.M., for the development and operation of the Codell and Niobrara Formations. Order No. 407-961 does not affect this Application.

7. On March 17, 2014, the Commission entered Order No. 407-962, which among other things, approves the request for an order to pool all interests, including leased mineral interests, in an approximate 480-acre designated wellbore spacing unit established for certain lands in Sections 15, 16, 21 and 22, Township 3 North, Range 68 West, 6th P.M., for the development and operation of the Niobrara Formation. Applicant is requesting modification of Order No. 407-962.

8. On April 28, 2014, the Commission entered Order No. 407-1012, which among other things, approves the request for an order to pool all interests, including leased mineral interest owners, in an approximate 480-acre designated wellbore spacing unit for the development and operation of the Niobrara Formation. Order No. 407-1012 does not affect this Application.

9. On April 28, 2014, the Commission entered Order No. 407-1013, which among other things, approves the request for an order to pool all interests, including leased mineral interest owners, in three approximate 480-acre designated wellbore spacing units for the development and operation of the Codell and Niobrara Formations. Order No. 407-1013 does not affect this Application.

10. On June 17, 2014, the Commission entered Order No. 407-1066, which among other things, approves the request for an order to pool all interests, including previously unlocatable interests, in an approximate 480-acre designated wellbore spacing unit, for the development and operation of the Niobrara Formation. Order No. 407-1066 does not affect this Application.

11. On June 17, 2014, the Commission entered Order No. 407-1067, which among other things, approves the request for an order to pool all interests, including previously unlocatable interests, in three approximate 480-acre designated wellbore spacing units, for the development and operation of the Niobrara and Codell Formations. Order No. 407-1067 does not affect this Application.

12. Applicant has or will submit sundries to their applications for permit to drill associated with the McKinstry 28N-21HZ Well (API No. 05-123-37009), to reflect the accurate unit acreage of 560 acres.

13. After receipt of additional information, Applicant requests that Order No. 407-962 be modified to reflect 560 acres as the size of the wellbore spacing unit, for the drilling of the McKinstry 28N-21HZ Well (API No. 05-123-37009), to the Niobrara Formation on the following Application Lands:

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

Section 14: SW $\frac{1}{4}$ SW $\frac{1}{4}$

Section 15: S $\frac{1}{2}$ S $\frac{1}{2}$

Section 16: S $\frac{1}{2}$ SE $\frac{1}{4}$

Section 21: N $\frac{1}{2}$ NE $\frac{1}{4}$

Section 22: N $\frac{1}{2}$ N $\frac{1}{2}$

Section 23: NW $\frac{1}{4}$ NW $\frac{1}{4}$

Weld County, CO

14. Applicant has, or will within 35 days prior to the May 18, 2015 Commission hearing, comply with Rule 530 and, as applicable, submit an offer to lease and/or participate in the McKinstry 28N-21HZ Well (API No. 05-123-37009), including an AFE containing the information required under Rule 530.a.

15. Applicant maintains that there will be no adverse effects on the correlative rights of the interest owners in the Application Lands and to protect correlative rights the Commission should modify Order No. 407-962 in accordance with the Applicant's requests set forth herein.

16. The undersigned certifies that copies of this Application will be served on each interested party listed on Exhibit A attached hereto as required by Rule 507 within seven (7) days of the filing hereof, as required by Rule 503.e.

WHEREFORE, Applicant respectfully requests that this matter be set for hearing in May 2015, 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: March 19, 2015.

Respectfully submitted:

KERR-MCGEE OIL & GAS ONSHORE LP

By:

A handwritten signature in blue ink, appearing to read "Jamie L. Jost", written over a horizontal line.

Jamie L. Jost

Zachary P. Sears

Jost & Shelton Energy Group, P.C.

Attorneys for Applicant

1675 Larimer St., Suite 420

Denver, Colorado 80202

(720) 379-1812

Applicant's Address:

Kerr-McGee Oil & Gas Onshore LP

ATTN: Nancy McDonald


1099 18th Street, Suite 1800

Denver, Colorado 80202

VERIFICATION

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

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

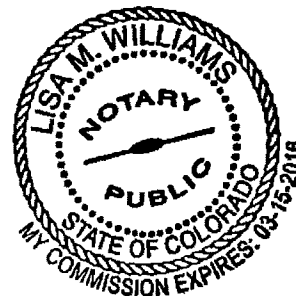

Nancy McDonald
Staff Landman
Kerr-McGee Oil & Gas Onshore LP

Subscribed and sworn to before me this 15th day of March 2015.

Witness my hand and official seal.

[SEAL]

My commission expires: 3-15-2016



Jose M. Williams

Notary Public

IN THE MATTER OF THE APPLICATION OF KERR-MCGEE OIL & GAS ONSHORE LP, FOR AN ORDER TO MODIFY PORTIONS OF ORDER NO. 407-962 TO AMEND THE UNIT ACREAGE FOR THE ESTABLISHED DESIGNATED HORIZONTAL WELLBORE SPACING UNIT IN SECTIONS 14, 15, 16, 21, 22 AND 23, TOWNSHIP 3 NORTH, RANGE 68 WEST, 6TH P.M., FOR THE NIOBRARA FORMATION, WATTENBERG FIELD, WELD COUNTY, COLORADO

TYPE:

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

James BA

Subscribed and sworn to before me this 14 day of March 2015.

My commission expires:

06/14/2018



Exhibit A
Interested Parties

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

Extraction Oil & Gas LLC
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Denver, CO 80203

NRC CO 3 LLC
755 E. Mulberry Avenue, Suite 600
San Antonio, TX 78212

PDC Energy, Inc.
1775 Sherman Street, Suite 3000
Denver, CO 80203

Grizzly Petroleum Company, LLC
1801 Broadway, Suite 500
Denver, CO 80202

Encana Oil & Gas (USA) Inc.
370 17th Street, Suite 1700
Denver, CO 80202

Act Oil Colorado LLC
730 Third Avenue, 4th Floor
New York, NY 10017

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

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

Carla and James Longmeyer, JT
3550 WCR 32
Mead, CO 80542-9622

David and Connie Evans, JT
201 Adams Avenue
Mead, CO 80542

Jeffrey and Jude White, JT
203 Adams Avenue
Mead, CO 80542-9675

Charles D. White, Jr.
205 Adams Avenue
Mead, CO 80542-9675

Charles Gillit and Mary Ebberts-Gillit, JT
207 Adams Avenue
Mead, CO 80542-9675

Mark and Kelli Richers, JT
209 Adams Avenue
Mead, CO 80542-9675

Marion and Karen Johnson, JT
211 Adams Avenue
Mead, CO 80542-9675

Todd and Jaimi Yee, JT
213 Adams Avenue
Mead, CO 80542-9675

Samuel Weideman
215 Adams Avenue
Mead, CO 80542-9675

Jen Ryan
215 Adams Avenue
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Joseph Tocko
217 Adams Avenue
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Marnie Tocko
217 Adams Avenue
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Robert and Aida Acker, JT
219 Adams Avenue
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James and Carol Bledsoe, JT
221 Adams Avenue
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Mead, CO 80542-9684

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Michelle King
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Kimberly and LeAnn Worrell, JT
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1006 3rd Avenue
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Walter and Linda Diehl, JT
14748 County Road 7
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Timothy and Nancy Cain, JT
263 Hunters Cove Drive
Mead, CO 80542

Steven and Sharon Bailey, JT
265 Hunters Cove Drive
Mead, CO 80542-9661

Kimberly A. McGinnis
266 Hunters Cove Drive
Mead, CO 80542-9661

Whitney Family Trust dated 11/11/05
c/o Brian A. and Cynthia G. Whitney
264 Hunters Cove Drive
Mead, CO 80542

Robert Bowie
262 Hunters Cove Drive
Mead, CO 80542-9661

Karen Bowie
262 Hunters Cove Drive
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Karl and Elise Thomas, JT
260 Hunters Cove Drive
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Coe Dobbs
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103 Adams Avenue
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Kevin Halbleib and Anita Halbleib, JT
362 Hunters Ridge Drive
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360 Hunters Ridge Drive
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361 Hunters Ridge Drive
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363 Hunters Ridge Drive
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Rowan, JT
365 Hunters Ridge Drive
Mead, CO 80542-9664

James M. Powell
367 Hunters Ridge Drive
Mead, CO 80542-9664

Madonna J. Powell
367 Hunters Ridge Drive
Mead, CO 80542-9664

Mary Louise Walsh, Trustee of the Mary
Louise Walsh Trust Agreement dated
September 1, 1998, restated March 15,
2011
1610 Manor Drive
Casper, WY 82609

Helen P. Richardson, Trustee of the Helen
P. Richardson Survivors Trust created and
dated December 3, 1991, As amended
36 Rin Conada Circle
Belmont, CA 94002-2949

William D. Nygren
641 S Downing Street
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Belle R. Conway
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Mark Skelton and Derek Skelton, JT
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Mead, CO 80542

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Longmont, CO 80504

Mary Ellen Naud Revocable Trust
11800 Pleasant View Ridge
Longmont, CO 80504

James L. Lohr
2688 Grace Way
Mead, CO 80542

Rebecca L. Lohr
2688 Grace Way
Mead, CO 80542

Devisee(s) of the Estate of Theodore J.
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c/o Louis J. Rademacher
13184 WCR 13
Longmont, CO 80501

Rademacher Trust LLC
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Longmont, CO 80502-0978

Esther K. Offen
P.O. Box 706
Eagle, CO 81631

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

Kristine Bowyer
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Strasburg, CO 80136

Kim Scaff
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Aurora, CO 80016

Barbara M. White
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Brighton, CO 80601

Helen P. Wadle
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Longmont, CO 80504

Robert M. Rademacher
13774 E I-25 Frontage Road
Longmont, CO 80504

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

Madison Reynolds LLC
150 Filbert Avenue #1
Sausalito, CA 94965

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

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

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

Christopher Edwards
P. O. Box 21270
Oklahoma City, OK 73156-1270

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

Sidney Moran
18 Hudson Circle
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Peyton Energy, LP
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McKinney, TX 75070

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

Harvey Katz and Mireille Katz, JTROS
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Houston, TX 77056

Kleimor Energy, LLC
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Denver, CO 80231

R.L. Zinn et al #2, Ltd.
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Houston, TX 77005

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

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

Maxica Group, LLC
6788 Harvest Road
Boulder, CO 80301

Jasmine Moran
Children's Museum Foundation, Inc.
P.O. Box 1828
Seminole, OK 74818-1828

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Loveland, CO 80537

PBR Properties Joint Venture
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Midland, TX 79702

The Leeper Family Revocable Trust
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Commerce City, CO 80022

Lee Gilbert Swanson
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Sante Fe, NM 87505

Jay Fulbright Swanson, Jr.
2306 West Main Street
Houston, TX 77098-3219

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

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Longmont, CO 80504

Rosemary Ann Ames
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Longmont, CO 80503

Teresa M. Applehans
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Denver, CO 80233

Rita M. Regnier
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Longmont, CO 80501

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

Longmont United Hospital Foundation
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Longmont, CO 80502

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Mead, CO 80542

Zeek Partnership, LLLP
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