BEFORE THE OIL & 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) CAUSE NO. 480-ACRE DESIGNATED HORIZONTAL WELLBORE) SPACING UNITS LOCATED IN SECTIONS 21, 28, AND 33,) DOCKET NO. TOWNSHIP 2 NORTH, RANGE 66 WEST, 6TH P.M., FOR) THE DEVELOPMENT/OPERATION OF THE NIOBRARA) AND CODELL FORMATIONS, WATTENBERG FIELD,) WELD COUNTY, COLORADO)

APPLICATION

Kerr-McGee Oil & Gas Onshore LP (Operator No. 47120) ("Kerr-McGee" or "Applicant"), by and through its attorneys, Davis Graham & Stubbs LLP, respectfully submits this Application to the Oil and Gas Conservation Commission of the State of Colorado (the "Commission") for an order to pool all interests in two approximate 480-acre horizontal wellbore spacing units designated for portions of Sections 21, 28, and 33, Township 2 North, Range 66 West, 6th P.M., for development and operation of the Niobrara and Codell 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:

Wellbore Spacing Unit ("WSU") Nos. 1 and 2

Township 2 North, Range 66 West, 6th P.M. Section 21: S¹/₂SW¹/₄ Section 28: W¹/₂ Section 33: N¹/₂NW¹/₄

Weld County, Colorado;

These lands are hereinafter collectively referred to as the "Application Lands."

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. 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. Pursuant to Rule 318A, Applicant designated an approximate 480-acre horizontal wellbore spacing unit (WSU No. 1), comprised of the Application Lands, for the Tedford 29N-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 objections to the establishment of the proposed wellbore spacing unit within the 30-day response period.

6. Pursuant to Rule 318A, Applicant designated an approximate 480-acre horizontal wellbore spacing unit (WSU No. 2), comprised of the Application Lands, for the Tedford 29C-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 objections to the establishment of the proposed wellbore spacing unit within the 30-day response period.

7. The Tedford 29N-28HZ well and the Tedford 29C-28HZ well are hereinafter collectively referred to as the "Subject Wells."

8. Acting pursuant to the applicable Colorado Statutes and Commission Regulations, Applicant seeks an order pooling all interests, including, but not limited to, any non-consenting interests and leased mineral interests, in two approximate 480-acre horizontal wellbore spacing units designated for the Application Lands for the development and operation of the Niobrara and Codell Formations.

9. Applicant requests that the pooling order entered as a result of this Application be made effective as of the date of this Application, or, as applicable, the date that the costs specified in § 34-60-116(7)(b), C.R.S., are first incurred for the drilling of the Subject Wells in WSU Nos. 1 and 2, whichever is earlier.

10. Further, Applicant requests that any non-consenting interests with whom the Applicant has been unable to secure a lease or other agreement to participate in the drilling of the Subject Wells, be pooled by operation of statute, pursuant to § 34-60-116(6) & (7), C.R.S., and made subject to the cost recovery provisions thereof.

11. 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.

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

13. 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 A attached hereto, as required by Rule 507.b(2). 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 two approximate 480-acre designated horizontal wellbore spacing units established for the Application Lands, for the development and operation of the Niobrara and Codell Formations, with the pooling order made effective as of the date of this Application, or, the date that the costs specified in § 34-60-116(7)(b), C.R.S. are first incurred for the drilling of the Subject Wells in WSU Nos. 1 and 2, whichever is earlier.

B. Providing that the non-consenting 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 Well, 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 2l day of May, 2015.

Respectfully submitted,

KERR-MCGEE OIL & GAS ONSHORE LP

7 0 Q Bv:

Greg Nibert, Jr John Jacus Eric Waeckerlin Davis Graham & Stubbs LLP 1550 17th Street, Suite 500 Denver, Colorado 80202 greg.nibert@dgslaw.com john.jacus@dgslaw.com eric.waeckerlin@dgslaw.com

Address of Applicant

Kerr-McGee Oil & Gas Onshore LP Attention: Andy Welter 1099 18th Street, Suite 1800 Denver, Colorado 80202

VERIFICATION

STATE OF COLORADO

) ss.

CITY AND COUNTY OF DENVER

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

Andy Welter - Landman Kerr-McGee Oil & Gas Onshore LP

Subscribed and sworn to before me this 15^{46} day of May, 2015.

Witness my hand and official seal.



[SEAL]

My commission expires: 3 - 15 - 2016

ssion expires: _____ Uă A. Williams Notary Public

EXHIBIT A Interested Parties

The Fulton Irrigating Ditch Company 25 South 4th Avenue Brighton, CO 80601

Heirs of Leah C. Midcap 907 Dogwood Fort Lupton, CO 80621

Joann Jean Schmidt 13169 WCR 18½ Fort Lupton, CO 80621

Jacqualine J. Christiansen and Howard P. Christiansen, JT 6229 N. Lochwood Dr. Janesville, WI 53545

Heirs of Nancy Midcap Butler 907 Dogwood Fort Lupton, CO 80621

Diane Midcap Sheikh 1346 Henrietta Street Birmingham, MI 48009

William Walter Fehrn, Jr and Lawrence N. Fehrn, JT 1845 14th Street Fort Lupton, CO 80621

Dale L. Tedford and Eleanore G. Tedford, JT 325 Stanford Street Brush, CO 80723

Bar Diamond, Inc. 2084 Clearwater Lake Drive Henderson, NV 89044

Samuel Scheinberg and Cheryl Anne Scheinberg, Trustees, or their successors in trust, under the Scheinberg Family Trust Agreement dated February 18, 1993 1900 SW River Dr #1002 North Portland, OR 97201 Elliott Marvin Appel 7235 44th Avenue NE Olympia, WA 98516

Renee Tedford 14013 WCR 16 Fort Lupton, CO 80621

Trustee of Bernice Clementine Coburn Fitch Revocable Living Trust 1112 Bross St. Longmont, CO 80501

Hladky Land and Cattle LLC 13608 CR 18½ Fort Lupton, CO 80621

Beau Alan Lansdown 5113 S. Laredo Way Centennial, CO 80015

Tayler Leigh Lansdown 5113 S. Laredo Way Centennial, CO 80015

Alexa Shelby Lansdown 5113 S. Laredo Way Centennial, CO 80015

David W. Lansdown 5113 S. Laredo Way Centennial, CO 80015

Melissa Ann Lansdown 1670 Chiquita Rd. Healdsburg, CA 95448

Manuel Luis, Sr. 14705 Weld County Road 18 Fort Lupton, CO 80621

Ronald K. Barnes 324 South Exeter Street Baltimore, MD 21202 Barry Remington, Trustee of the Marilyn V. Stone Irrevocable Trust 645 East Wiggens Street Louisville, CO 80027

Richard L. Hein 5290 E. Yale Cir., Suite 103 Denver, CO 80217

Timothy J. Gonzales 14477 Weld County Road 18 Fort Lupton, CO 80621 Clifford D. Carter and Elizabeth A. Carter, JT 1621 14th Street Fort Lupton, CO 80621

Farrell Enterprises, LLC 8145 W. 71st Ave. Arvada, CO 80004

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

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 480ACRE DESIGNATED HORIZONTAL WELLBORE SPACING UNITS LOCATED IN SECTIONS 20, 21, 28, 29, 32, AND 33, TOWNSHIP 2 NORTH, RANGE 66 WEST, 6TH P.M., FOR THE DEVELOPMENT/ OPERATION OF THE NIOBRARA AND CODELL FIELD. WELD WATTENBERG FORMATIONS, COUNTY, COLORADO

Cause No.

Docket No.

AFFIDAVIT OF MAILING

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

Greg Nibert Jr., of lawful age, and being first duly sworn upon his oath, states and declares:

That he is an attorney for Kerr-McGee Oil & Gas Onshore LP, and that on or before May 28, 2015, he caused a copy of the attached Application to be deposited in the United States Mail, postage prepaid, addressed to the parties listed on Exhibit A to the Application.

-21-17

Greg Nibert Jr.

Subscribed and sworn to before me May 2 , 2015.

Witness my hand and official seal.

My commission expires:

