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.
477.32-ACRE DESIGNATED HORIZONTAL WELLBORE)	CAUSE NO.
SPACING UNITS LOCATED IN SECTIONS 5 AND 8,)	DOCKET NO
TOWNSHIP 1 NORTH, RANGE 66 WEST, AND SECTION)	DOCKET NO
32, TOWNSHIP 2 NORTH, RANGE 66 WEST, 6 TH 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 477.32-acre horizontal wellbore spacing units designated for portions of Sections 5 and 8, Township 1 North, Range 66 West, and Section 32, 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 1 North, Range 66 West, 6th P.M.

Section 5:

E1/2W1/2, W1/2E1/2

Section 8:

NE14NW14, NW14NE14

Township 2 North, Range 66 West, 6th P.M.

Section 32: SE1/4SW1/4, SW1/4SE1/4

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 and Codell Formations 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 477.32-acre horizontal wellbore spacing unit (WSU No. 1), comprised of the Application Lands, for the FL Greens 28C-5HZ 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. 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 477.32-acre horizontal wellbore spacing unit (WSU No. 2), comprised of the Application Lands, for the FL Greens 3N-5HZ 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. Applicant did not receive objections to the establishment of the proposed wellbore spacing unit within the 30-day response period.
- 7. The FL Greens 28C-5HZ well, and the FL Greens 3N-5HZ 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 477.32-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. Applicant certifies that copies of this Application will be served on the interested parties (persons who own any interest in the mineral estate of the tracts to be pooled, except owners of

overriding royalty interest) within seven (7) days of the date hereof, as required by Rule 507.b.(2). The Applicant shall submit a certificate of service for the Application, along with the names and addresses of the interested parties according to the information and belief of the Applicant, 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 477.32-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 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 <u>(o)</u> day of July, 2015.

Respectfully submitted,

KERR-MCGEE OIL & GAS ONSHORE LP

By

Greg Nibert,

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: Will Vaughan 1099 18th Street, Suite 1800 Denver, Colorado 80202

VERIFICATION

STATE OF COLORADO)
CITY AND COUNTY OF DENVER) ss.)
that he is a Senior Landman for Ke	being first duly sworn upon oath, deposes and says err-McGee Oil & Gas Onshore LP, and that he has that the matters therein contained are true to the and belief.
	Will Vaughan — Senior Landman
	Kerr-McGee Oil & Gas Onshore LP
Subscribed and sworn to before me	this <u>/// +^</u> day of July, 2015.
Witness my hand and official seal.	ST. STATE OF
SEAL]	STATE OF COMMANSSON
My commission expires: 3-/5-	2016

Notary Public

Exhibit A Interested Parties

Housing Authority of the Town of Fort Lupton 400 2nd St. Fort Lupton, CO 80621

United Power PO Box 929 Brighton, CO 80601

Ft. Lupton Commercial 8791 Circle Drive Westminster, CO 80031

Gregory Eugene Reiva, Conservator of Jeanette H. Reiva 3331 Jennings St. Sioux City, IA 51104

Richard James Gabel 6192 Sage Ave. Longmont, CO 80504

Leroy Joseph Gabel 301 Moser Rd. Louisville, KY 40223

Blanca Sanchez 210 South Denver Ave. Fort Lupton, CO 80621

Santos Sanchez 210 South Denver Ave. Fort Lupton, CO 80621

The City of Fort Lupton 130 South McKinley Ave. Fort Lupton, CO 80621

Estate of Ralph Vincent PO Box 4575 Boulder, CO 80306 Erich Helm 315 South Denver Ave. Fort Lupton, CO 80621

Xcel Energy, Inc. fka Public Service Company of Colorado 1800 Larimer St., Ste 1400 Denver, CO 80202

Joanne C. Brokaw 150 Siesta Dr. Aptos, CA 95003

Shirley May Bell 950 South Fulton Ave. Fort Lupton, CO 80621

Patricia Ann Glynn 9841 E. 157th Ave. Brighton, CO 80601

Mary Maxine Hilderbrand 5900 Winkler Dr. Amarillo, TX 79109

Rudy Sanchez 210 South Denver Ave. Fort Lupton, CO 80621

Ft. Lupton 110 8791 Circle Drive Westminster, CO 80031

Vincent Properties, Inc. 3711 North Glebe Road Arlington, VA 22207

The Philip T. Apel and Patricia Dale Apel Trust dated April 15, 1996 2022 W. Nantucket Court Littleton, CO 80120 B.T. Griffith Wife's Trust 340 CR 239 Durango, CO 81301

Barbara J. Conn 135 Riverview Drive Durango, CO 81301

Jana Rae Steele 4339 1st Court Lake Worth, FL 33462

The Amended and Restated Parker Revocable Trust U/A dated August 17, 2004 1035 37th Avenue Court Greeley, CO 80634

Paradize LLC 921 Indian Peak Road Golden, CO 80403

Cheryl Anne Scheinberg and Samuel Scheinberg, Co-Trustees of the Scheinberg Family Trust u/a/d February 18, 1993 as amended and restated 1900 SW River Dr. #1002 North Portland, OR 97201

Sandi Scheinberg PO Box 828 Twisp, WA 98856

Fort Lupton Fire Protection District 1121 Denver Avenue Fort Lupton, CO 80621

Jacquelyn Ann Smith PO Box 710 Fort Lupton, CO 80621

Pamela Ann Trostel 11678 Montgomery Circle Longmont, CO 80504 Virginia K. Eggleston Trust U/A dated June 12, 1997 4 Timothy Court Novato, CA 94949

Robert T. Eggleston PO Box 4174 Pagosa Springs, CO 81157

Patricia Steele 1105 Grand Avenue Everett, WA 98201

Robin A. Parker 10 Cedar Street Norwood, MA 0

Darrel Marc Appel 1205 East St. SE Lacey, WA 98503

Sindi Scheinberg 15 A. Sky Ranch Road Twisp, WA 98856

Rae Minerals 12032 Hwy 52 Fort Lupton, CO 80621

Fort Lupton Greens, LLP 8791 Circle Drive Westminster, CO 80031

Deborah Ann Tiffany 703 East Egbert Street Brighton, CO 80601

Philip T. Gabel and Joan R. Gabel 13504 County Road 12 Fort Lupton, CO 80621

Kathleen Moser Peake and Rick Moser as Co-Conservators for the Estate of Bruce Moser PO Box 495 Hudson, CO 80642

Kathleen Moser Peake PO Box 495 Hudson, CO 80642

Audrey Dowdy PO Box 555 Hudson, CO 80642

Sandra K. Conner Trust, dtd January 26, 1984 2 Osprey Circle Denver, CO 80241

Nancy S. Keeth 1001 Evans St Franklin, TN 37064

Grizzly Petroleum Company, LLC 1801 Broadway, Ste 500 Denver, CO 80202 Rick Moser 11488 Weld County Road 41 Hudson, CO 80642

Artina Campbell 10437 Nucla Street Commerce City, CO 80022

Xcel Energy, Inc., f/k/a Public Service Company of Colorado Right of Way & Permits Dept., 1800 Larimer Street Denver, CO 80202

Kurt W. Conner Family Trust, created 1-7-2013, (aka the Conner Family Trust) 2797 Buckner Lane Thompson Station, TN 37179

Kerr-McGee Oil & Gas Onshore LP P. O. Box 173779 Denver, CO 80217

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

IN THE MATTER OF THE APPL MCGEE OIL & GAS ONSHORE LP POOL ALL INTERESTS IN THE ATT. 32-ACRE DESIGNATED HORIZ SPACING UNITS LOCATED IN STOWNSHIP 1 NORTH, RANGE 66 VOCATED THE DEVELOPMENT/OPE NIOBRARA AND CODELL FORMAT	FOR AN ORDER TO) WO APPROXIMATE) ZONTAL WELLBORE) ECTIONS 5 AND 8,) VEST, AND SECTION) E66 WEST, 6 TH P.M.,) ERATION OF THE)	CAUSE NO. DOCKET NO.
FIELD, WELD COUNTY, COLORADO		
<u>CE</u>	RTIFICATE OF SERVICE	
STATE OF COLORADO)	
CITY AND COUNTY OF DENVER)ss.)	

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 July 23, 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.

Greg Niber Jr.

Subscribed and sworn to before me July 16, 2015.

Witness my hand and official seal.

My commission expires: 1-21-2017

Notary Public

SUSANNE JOSLIN NOTARY PUBLIC STATE OF COLORADO NOTARY ID 20094002376 MY COMMISSION EXPIRES JANUARY 21, 2017

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)
477.32ACRE DESIGNATED HORIZONTAL WELLBORE	CAUSE NO. 407
SPACING UNITS LOCATED IN SECTIONS 5 AND 8,)
TOWNSHIP 1 NORTH, RANGE 66 WEST, AND SECTION 32, TOWNSHIP 2 NORTH, RANGE 66 WEST, 6 TH P.M.,) DOCKET NO. 150900512
FOR THE DEVELOPMENT/OPERATION OF THE)
NIOBRARA AND CODELL FORMATIONS, WATTENBERG)
FIELD, WELD COUNTY, COLORADO)

SUPPLEMENTAL 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:

- 1. The above docketed application was filed on July 16, 2014 for the September Docket ("Application") and was subsequently continued to the October Docket on August 5, 2015;
 - 2. Notice of Hearing for the Application was deferred to the October Hearing cycle; and
- 3. On or before August 28, 2015, he caused a copy of the above referenced Application to be deposited in the United States Mail, postage prepaid, addressed to the parties listed below.

Maris Isabel Chavez 904 Lancaster Ave. Fort Lupton, CO 80621

Nancy A. Cox and Linda C. Forest 901 Lancaster Ave. Fort Lupton, CO 80621

Delbert L. Fast and Mary Jane Fast DBA D&F Builders 1357 43rd Ave., Apt. 40 Greeley , CO 80634

Cayetano Lujan-Espinoza and Maria Rodriquez-Lujan 914 Lancaster Ave. Fort Lupton, CO 80621 Debra A. Garcia 915 Lancaster Ave. Fort Lupton, CO 80621

Jeffrey J. Hill and Amy Lee Anderson Hill 1104 Lancaster Ave. Fort Lupton, CO 80621

Robert N. Krumtum and Lorie D. Krumtum 912 Lancaster Ave. Fort Lupton, CO 80621

David C. Lambeth 1015 South Lancaster Ave. Fort Lupton, CO 80621 Ricardo Llamas 1105 Village Dr. Fort Lupton, CO 80621

Robert A. Maul 1204 Lancaster Ct. Fort Lupton, CO 80621

Edgar Ortiz 903 Lancaster Ave. Fort Lupton, CO 80621

Marta L. Sanders 910 Lancaster Ave. Fort Lupton, CO 80621 Allen Sickler and Gina Sickler 1009 Village Dr. Fort Lupton, CO 80621

George G. Vaught, Jr and Paul L. McCulliss PO Box 3248 Littleton, CO 80161

Lone Pine Corporation c/o Delbert L. Fast 1357 43rd Ave., Apt. 40 Greeley , CO 80634

Greg Nibert Jr.

Subscribed and sworn to before me August 27, 2015.

Witness my hand and official seal.

My commission expires: 1-21-2017

SUSANNE JOSLIN
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20094002376
MY COMMISSION EXPIRES JANUARY 21, 2017

Notary Public