

**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 POOLING ALL INTERESTS IN AN APPROXIMATE 240-ACRE DESIGNATED HORIZONTAL WELLBORE SPACING UNIT ESTABLISHED FOR CERTAIN PORTIONS OF SECTIONS 17, 20 AND 29, TOWNSHIP 2 NORTH, RANGE 65 WEST, 6<sup>TH</sup> P.M., FOR THE DEVELOPMENT/OPERATION OF THE NIOBRARA FORMATION, WATTENBERG FIELD, WELD COUNTY, COLORADO

CAUSE NO. 407

DOCKET NO. *To be assigned*

**APPLICATION**

Kerr-McGee Oil & Gas Onshore LP, Operator No. 47120 ("Kerr-McGee" or "Applicant"), 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 an approximate 240-acre horizontal wellbore spacing unit established for certain portions of Sections 17, 20 and 29, Township 2 North, Range 65 West, 6<sup>th</sup> P.M., for the development and operation 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 substantial leasehold interests in the below-listed lands:

Township 2 North, Range 65 West, 6<sup>th</sup> P.M.

Section 17: SE $\frac{1}{4}$ SE $\frac{1}{4}$

Section 20: E $\frac{1}{2}$ E $\frac{1}{2}$

Section 29: NE $\frac{1}{4}$ NE $\frac{1}{4}$

Wellbore Spacing Unit ("WSU") No. 1

These lands are hereinafter collectively referred to as the "Application Lands" and depicted in Exhibit A 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 the Application Lands, for the below-described well, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation. Applicant notified all owners in the proposed horizontal wellbore spacing unit pursuant to Rule 318A.e.(5). Applicant did not receive objections to the establishment of the proposed horizontal wellbore spacing unit within the 30-day response period:

a. Sarchet 16N-20HZ Well (API No. 05-123-41917) – Niobrara Formation – WSU No. 1.

This well is hereinafter referred to as the “Subject Well.”

5. Acting pursuant to the relevant provisions of §34-60-116(6) & (7), C.R.S., and Rule 530., Applicant seeks an order pooling all interests, including, but not limited to, any nonconsenting interests, in WSU No. 1 established for the Application Lands, for the development and operation of the Niobrara Formation.

6. Applicant requests that the Commission’s pooling order be made effective as of the earlier 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 Well within WSU No. 1.

7. Further, Applicant requests that the 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 Well, are made subject to the cost recovery provisions of §34-60-116(7), C.R.S., effective as of the earlier of the date of the Application, or the date the costs specified in §34-60-116(7)(b), C.R.S. are first incurred for the drilling of the Subject Well.

8. 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.

9. 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.

10. The undersigned certifies that copies of this Application will be served on each interested party 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, that notice be given as required by law and that upon such hearing, this Commission enter its order:

A. Pooling all interests in WSU No.1 established for the Application Lands, for the development and operation of the Niobrara Formation, effective as of the earlier 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 Well within WSU No.1.

B. Providing that the 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 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, effective as of the earlier of the date of the Application, or the date the costs specified in §34-60-116(7)(b), C.R.S. are first incurred for the drilling of the Subject Well.

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

DATED this 27 day of August, 2015.

Respectfully submitted,

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

By:   
James Parrot  
Jillian Fulcher  
Beatty & Wozniak, P.C.  
Attorneys for Applicant  
216 16th Street, Suite 1100  
Denver, Colorado 80202  
(303) 407-4499  
jparrot@bwenergylaw.com  
jfulcher@bwenergylaw.com


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

## VERIFICATION

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

Jay Errebo, 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 &amp; GAS ONSHORE LP

  
Jay Errebo

Subscribed and sworn to before me this 27<sup>th</sup> day of August, 2015, by Jay Errebo, Landman for Kerr-McGee Oil & Gas Onshore LP.

Witness my hand and official seal.

My commission expires: 07/31/2017

Amber Fallo  
Notary Public

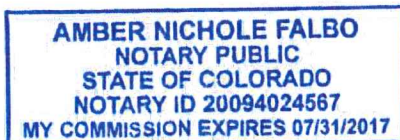


Exhibit A

Reference Map for Pooling Application

1	6	5	4	3	2	1
12	7	8	9	10	11	12
13	18	17	16	15	14	13
			2N65W			
24	19	20	21	22	23	24
25	30	29	28	27	26	25

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DOCKET NO. 151000638

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

That she is a Legal Assistant at Beatty & Wozniak, P.C., attorneys for Kerr-McGee Oil & Gas Onshore LP, and on or before September 3, 2015, 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 attached hereto.

Subscribed and sworn to before me this 2<sup>nd</sup> day of September, 2015.

TERESA L. PETERSON  
NOTARY PUBLIC  
STATE OF COLORADO  
NOTARY ID 19894002026  
MY COMMISSION EXPIRES OCT.4, 2017

  
\_\_\_\_\_  
Notary Public



## EXHIBIT A

### 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 A.

ANADARKO E&P COMPANY LP  
1099 18TH STREET, SUITE 1800  
DENVER CO 80202

DAWN YVONNE DEVENNEY KIMBALL  
309 S SADDLE ROAD  
ENID OK 73703

ENCANA OIL & GAS (USA) INC.  
370 17TH STREET SUITE 1700  
DENVER CO 80202

MARTIN J. HARRINGTON, JR.  
2236 S JACKSON STREET  
DENVER CO 80210

YASMIN L. BELTRAN AND  
IMELDA DE CASTILLO HERNANDEZ  
8391 WCR 41  
FORT LUPTON CO 80621

COLORADO INVESTORS, LLC,  
A COLORADO LIMITED LIABILITY COMPANY  
PO BOX 400  
WILEY CO 81092

DIANNE BERNICE TILLMAN  
9321 W YUKON DRIVE  
PEORIA AZ 85382

FRED W. SARCHET  
3173 52ND AVENUE  
GREELEY CO 80634

JAMES C. COOPER AND RHONDA J. COOPER,  
TRUSTEES OF THEIR SUCCESSORS IN TRUST,  
UNDER THE COOPER LIVING TRUST  
DATED FEBRUARY 16, 2006  
6200 CHOKECHERRY DRIVE  
LOVELAND CO 80537

KERR-MCGEE OIL & GAS ONSHORE LP  
1099 18TH STREET, SUITE 1800  
DENVER CO 80202

RICHARD JOHN DEVENNEY  
PO BOX 6747  
DILLON CO 80435

T.E. MCCLINTOCK T/W FBO  
ELIZABETH M. NIKOLORIC,  
COLORADO STATE BANK AND  
TRUST, N.A., TRUSTEE  
PO BOX 1588  
TULSA OK 74101

T.E. MCCLINTOCK T/W FBO MARY M. SWIFT,  
U.S. BANK, N.A., TRUSTEE  
PO BOX 1588  
TULSA OK 74101

WILLIAM D. SARCHET  
AND CAROL J. SARCHET  
8627 WCR 41  
FORT LUPTON CO 80621