

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

IN THE MATTER OF THE PROMULGATION AND  
ESTABLISHMENT OF FIELD RULES TO GOVERN  
OPERATIONS FOR THE NIOBRARA AND CODELL  
FORMATIONS, WATTENBERG FIELD, WELD  
COUNTY, COLORADO

CAUSE NO. 407

DOCKET NO.

TYPE: POOLING

APPLICATION

Kerr-McGee Oil & Gas Onshore LP (Operator No. 47120) ("Kerr-McGee" or "Applicant"), submits this application to the Oil and Gas Conservation Commission of the State of Colorado ("Commission") for an order to pool all interests in three approximate 800-acre wellbore spacing units designated for portions of Sections 5, and 6, Township 1 North, Range 66 West, and Sections 1 and 2, Township 1 North, Range 67 West, 6<sup>th</sup> P.M., established for the Speak Fed 32N-5HZ (API No. 05-123-45459), the Speak Fed 32N2-5HZ well (API No. 05-123-45461), and the Speak Fed 32C-5 well (API No. 05-123-45460) 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 certain leasehold interests in the below-listed lands:

Township 1 North, Range 66 West, 6<sup>th</sup> P.M.

Section 5: NW<sup>1</sup>/<sub>4</sub>SW<sup>1</sup>/<sub>4</sub>, SW<sup>1</sup>/<sub>4</sub>NW<sup>1</sup>/<sub>4</sub>

Section 6: N<sup>1</sup>/<sub>2</sub>S<sup>1</sup>/<sub>2</sub>, S<sup>1</sup>/<sub>2</sub>N<sup>1</sup>/<sub>2</sub>

Township 1 North, Range 67 West, 6<sup>th</sup> P.M.

Section 1: N<sup>1</sup>/<sub>2</sub>S<sup>1</sup>/<sub>2</sub>, S<sup>1</sup>/<sub>2</sub>N<sup>1</sup>/<sub>2</sub>

Section 2: NE<sup>1</sup>/<sub>4</sub>SE<sup>1</sup>/<sub>4</sub>, SE<sup>1</sup>/<sub>4</sub>NE<sup>1</sup>/<sub>4</sub>

**Wellbore Spacing Unit ("WSU") Nos. 1 thru 3 – 800-acres:**

Speak Fed 32N-5HZ well (Niobrara Formation)

Speak Fed 32N2-5HZ well (Niobrara Formation)

Speak Fed 32C-5 well (Codell Formation)

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

3. On April 27, 1998, the Commission adopted Rule 318A, the Greater Wattenberg Area Special Well Location, Spacing and Unit Designation Rule. The Application Lands are subject to Rule 318A.

4. On February 19, 1992, the Commission entered Order No. 407-87 (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 each of the following horizontal wellbore spacing units and notified the appropriate parties under Rule 318A:

A. WSU No. 1 - An 800-acre wellbore spacing unit established for the Speak Fed 32N-5HZ well for the Niobrara Formation.

B. WSU No. 2 - An 800-acre wellbore spacing unit established for the Speak Fed 32N2-5HZ well for the Niobrara Formation.

C. WSU No. 3 - An 800-acre wellbore spacing unit established for the Speak Fed 32C-5 well for the Codell Formation.

These wells are collectively referred to as the "Subject Wells."

6. Acting pursuant to Commission Rule 530 and/or the provisions of § 34-60-116 (6) and (7), C.R.S., Applicant seeks an order pooling all interests, including, but not limited to, any non-consenting interests, in the Application Lands for the development and operation of the Niobrara and Codell Formations.

7. 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 made subject to the statutory cost recovery provisions of § 34-60-116(6) & (7), C.R.S.

8. Applicant requests that the pooling order be made effective as of the date of the 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, whichever is earlier.

9. In order to prevent waste and to protect correlative rights, all interests in the Application Lands should be pooled for the orderly development of the Niobrara and Codell Formations, including any non-consenting interests therein.

10. Applicant certifies that copies of this Application will be served on all persons owning an interest in the mineral estate of the tracts to be pooled within seven (7) days of the date hereof, as required by Rule 503.e. and that at least thirty-five (35) days prior to the hearing on this matter each such interest owner not already leased or voluntarily pooled will be offered the opportunity to lease, or to participate in the drilling

of the Subject Wells, and will be provided with the information required by Rule 530 as applicable.

WHEREFORE, Applicant requests that this matter be set for hearing at the next available opportunity, that notice be given as required by law, and that upon such hearing the Commission enter its order:

A. Pooling all interests in the wellbore spacing units comprising Application Lands for the development and operation of the Niobrara and Codell Formations pursuant to § 34-60-116(6), C.R.S. with such order effective as of the date of the 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, 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 any other findings and orders the Commission may deem proper or advisable in this matter.

Dated: October 12, 2017.

Respectfully submitted:

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

By: 

Greg Nibert, Jr.

John Jacus

Davis Graham & Stubbs LLP

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Applicant's Address:

Kerr-McGee Oil & Gas Onshore LP

ATTN: Rocky Kimball


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Denver, CO 80202

VERIFICATION

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

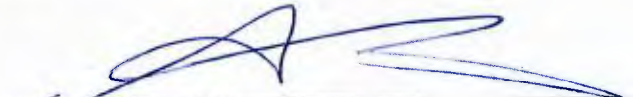
Anthony Landry, of lawful age, being first duly sworn upon oath, deposes and says that he is a Landman for Kerr-McGee Oil & Gas Onshore LP, that he has read the foregoing Application and that the matters therein contained are true to the best of his knowledge, information and belief.

  
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Anthony Landry, Landman  
Kerr-McGee Oil & Gas Onshore LP

Subscribed and sworn to before me this 12<sup>th</sup> day of October, 2017.

Witness my hand and official seal.

**ANITA MUNKRES  
NOTARY PUBLIC  
STATE OF COLORADO  
NOTARY ID 20034025710  
MY COMMISSION EXPIRES 08/08/2019**

  
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Notary Public