

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 CODELL FORMATION,
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 one approximate 480-acre wellbore spacing unit designated for portions of Sections 7, 8, 17, 18, 19, and 20, Township 1 North, Range 68 West, 6th P.M., established for the Yellowhammer 34C-17HZ well (API No. 05-123-45498), for development and operation of the Codell 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 certain leasehold interests in the below-listed lands:

Township 1 North, Range 68 West, 6th P.M.

Section 7: SE $\frac{1}{4}$ SE $\frac{1}{4}$

Section 8: SW $\frac{1}{4}$ SW $\frac{1}{4}$

Section 17: W $\frac{1}{2}$ W $\frac{1}{2}$

Section 18: E $\frac{1}{2}$ E $\frac{1}{2}$

Section 19: NE $\frac{1}{4}$ NE $\frac{1}{4}$

Section 20: NW $\frac{1}{4}$ NW $\frac{1}{4}$

Wellbore Spacing Unit ("WSU") – 480-acres:

Yellowhammer 34C-17HZ 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 Codell 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 a 480-acre wellbore spacing unit established for the Yellowhammer 34C-17HZ well ("Subject Well") for the Codell Formation and notified the appropriate parties under Rule 318A:

6. At this time, Applicant has been unable to effect the voluntary pooling of all interest within the Application Lands for the wellbore spacing unit. Accordingly, Applicant seeks an order pooling all interests in the wellbore spacing unit comprising the Application Lands pursuant to Commission Rules and the provisions of § 34-60-116(6), C.R.S. for the development and operation of the Codell Formation.

7. Applicant confirms that it is not currently requesting that the Commission apply the statutory cost recovery provisions of § 34-60-116(7), C.R.S. against any interested party in this Application. Applicant reserves the right to seek an order to apply such provisions to any nonconsenting interest in the future through amendment of this Application or subsequent application.

8. 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 Codell Formation.

9. 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.

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 unit comprising the Application Lands for the development and operation of the Codell Formation pursuant to § 34-60-116(6), C.R.S.


B. For any other findings and orders the Commission may deem proper or advisable in this matter.

Dated: November 30, 2017.

Respectfully submitted:

KERR-MCGEE OIL & GAS ONSHORE LP

By: _____


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