

**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 TWO APPROXIMATE 800-ACRE DESIGNATED HORIZONTAL WELLBORE SPACING UNITS FOR CERTAIN PORTIONS OF SECTIONS 1, 2, 11, 12, 13 AND 14, TOWNSHIP 1 NORTH, RANGE 66 WEST, 6TH P.M. AND CERTAIN PORTIONS OF SECTIONS 35 AND 36, TOWNSHIP 2 NORTH, RANGE 66 WEST, 6TH P.M., FOR THE DEVELOPMENT/OPERATION OF THE CODELL AND NIOBRARA 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"), 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 ("Commission") for an order pooling all interests in two approximate 800-acre horizontal wellbore spacing units established for certain portions of Sections 1, 2, 11, 12, 13 and 14, Township 1 North, Range 66 West, 6th P.M., and Sections 35 and 36, Township 2 North, Range 66 West, 6th P.M., for the development and operation of the Codell and Niobrara Formations. In support of its Application, Applicant states and alleges as follows:

1. Applicant is a limited partnership duly authorized to conduct business in the State of Colorado, and has registered as an operator with the Commission.
2. Applicant owns a leasehold interest in the below-listed lands:

Township 1 North, Range 66 West, 6th P.M.

Sec. 1: W $\frac{1}{2}$ W $\frac{1}{2}$
Sec. 2: E $\frac{1}{2}$ E $\frac{1}{2}$
Sec. 11: E $\frac{1}{2}$ E $\frac{1}{2}$
Sec. 12: W $\frac{1}{2}$ W $\frac{1}{2}$
Sec. 13: NW $\frac{1}{4}$ NW $\frac{1}{4}$
Sec. 14: NE $\frac{1}{4}$ NE $\frac{1}{4}$

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

Sec. 35: SE $\frac{1}{4}$ SE $\frac{1}{4}$
Sec. 36: SW $\frac{1}{4}$ SW $\frac{1}{4}$

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

800 acres, more or less, Weld County, Colorado.

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. Upon information and belief, Applicant designated two approximate 800-acre horizontal wellbore spacing units comprised of certain portions of the Application Lands, for the below-described wells, for the production of oil, gas and associated hydrocarbons from the Codell and Niobrara Formations. Applicant notified all owners in the proposed wellbore spacing units pursuant to Rule 318A.e.(5). Applicant did not receive objections to the establishment of the proposed horizontal wellbore spacing units within the 30-day response period:

- a. Verde 13-1HZ Well (API No. 05-123-46015) - Codell Formation - WSU #1;
- b. Verde 13-2HZ Well (API No. 05-123-46018) - Niobrara Formation - WSU #2.

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

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 Nos. 1 and 2 established for the Application Lands, for the development and operation of the Codell and Niobrara Formations.

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 Wells within WSU Nos. 1 and 2.

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 Wells, 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 Wells.

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, the Commission enter its order:

A. Pooling all interests in WSU Nos. 1 and 2 established for the Application Lands, for the development and operation of the Codell and Niobrara Formations, 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 Wells within WSU Nos. 1 and 2.

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 Wells, 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 Wells.

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

DATED this 11th day of January, 2018.

Respectfully submitted,

KERR-MCGEE OIL & GAS ONSHORE LP

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Jillian Fulcher
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Applicant's Address:

Kerr-McGee Oil & Gas Onshore LP
ATTN: Anthony Landry
1099 18th Street, Suite 1800
Denver, Colorado 80202

VERIFICATION

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

Anthony Landry, 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 & GAS ONSHORE LP

Anthony Landry

Subscribed and sworn to before me this 14th day of January, 2018,
by Anthony Landry, Landman for Kerr-McGee Oil & Gas Onshore LP.

Witness my hand and official seal.

My commission expires: 11/7/2021

CELESTE C CARDOSO
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20134080883
MY COMMISSION EXPIRES 11/07/2021

Notary Public

Exhibit A

Reference Map for Pooling Application

Township 1 North, Range 66 West, 6th P.M.

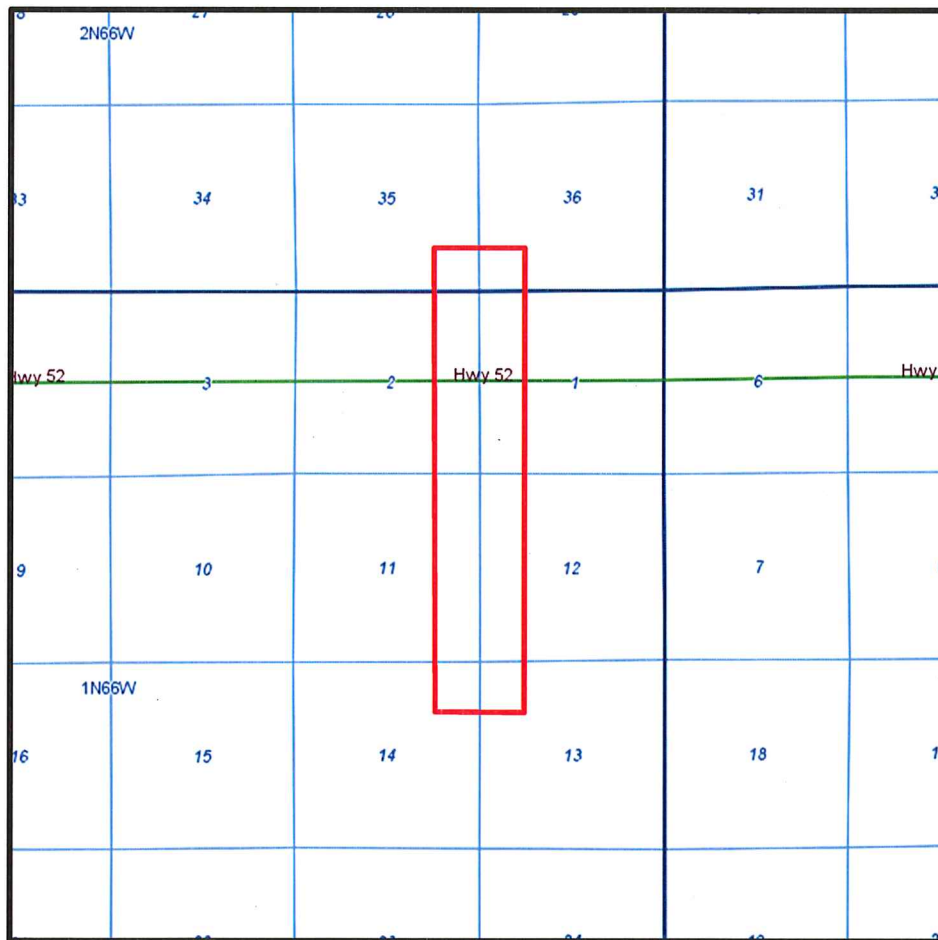
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Wellbore Spacing Unit ("WSU") Nos. 1 & 2

800 acres, more or less, Weld County, Colorado.



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TYPE: POOLING

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 the 23rd day of January, 2018, 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 16 day of January, 2018.

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.

WELD COUNTY, COLORADO, A POLITICAL
SUBDIVISION
OF THE STATE OF COLORADO
1150 "O" STREET
GREELEY, CO 80634

ANADARKO E & P ONSHORE LLC
1099 18TH STREET
DENVER, CO 80202

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2625 COLORADO AVENUE
BOULDER, CO 80302

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PO BOX 816
WEWOKA, OK 74884

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16317 HIGHWAY 52
FORT LUPTON, CO 80621

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EVERETT, WA 98203

GARRETT JESSER
167 BLUE BONNET DRIVE
BRIGHTON, CO 80601

L.M. BROWN & CO.
16317 HIGHWAY 52
FORT LUPTON, CO 80621

DONNA JESSER
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EVERETT, WA 98203

MARY LOU ELLIOTT
321 NORTH 11TH STREET
GUNNISON, CO 81230

DIANE HARVEY DUNN
2 CARRINGTON COURT
BAY CITY, TX 77414

HAROLD WAYNE LONG
620 W. LIMBERLOST #24
TUCSON, AZ 85705

CRESTONE PEAK RESOURCES HOLDINGS
LLC
1801 CALIFORNIA STREET, STE. 2500
DENVER, CO 80202

SWAN EXPLORATION LLC
1235 NORTH LOOP WEST STE. 500
HOUSTON, TX 77008

MARTIN BROTHERS, L.L.C.
3856 N. GLEBE RD.
ARLINGTON, VA 22207

ANADARKO LAND CORP
1099 18TH STREET
DENVER, CO 80202

STATE OF COLORADO, ACTING BY AND
THROUGH THE STATE BOARD OF LAND
COMMISSIONERS
1127 SHERMAN STREET, STE. 300
DENVER, CO 80203

FAY E. HARVEY
1400 CORONADO DR.
PAMPA, TX 79065

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SONOITA, AZ 85637

SAMANTHA JESSER
119 WOOD CANYON ROAD
PATAGONIA, AZ 85624

THE GARRETT JESSER TRUST
C/O ROBERT JESSER, PO BOX 786
SONOITA, AZ 85637

ROBERT JESSER
PO BOX 786
SONOITA, AZ 85637

DEBORAH MCQUITTY FOR LIFE, WITH
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PERRYTON, TX 79070

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