

**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 200-ACRE DESIGNATED HORIZONTAL WELLBORE SPACING UNITS AND TWO APPROXIMATE 400-ACRE DESIGNATED HORIZONTAL WELLBORE SPACING UNITS FOR CERTAIN PORTIONS OF SECTIONS 13, AND 24, TOWNSHIP 1 NORTH, RANGE 66 WEST, 6TH P.M., FOR THE DEVELOPMENT/OPERATION OF THE NIOBRARA 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"), 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 200-acre horizontal wellbore spacing units and in two approximate 400-acre horizontal wellbore spacing units established for certain portions of Sections 13 and 24, Township 1 North, Range 66 West, 6th 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 duly authorized to conduct business in the State of Colorado, and has registered as an operator with the Commission.

2. Applicant is an owner in the below-listed lands:

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

Section 13: W $\frac{1}{2}$ W $\frac{1}{2}$

Section 24: NW $\frac{1}{4}$ NW $\frac{1}{4}$

Wellbore Spacing Unit ("WSU") No. 1

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

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

Section 13: W $\frac{1}{2}$

Section 24: N $\frac{1}{2}$ NW $\frac{1}{4}$

Wellbore Spacing Unit ("WSU") Nos. 2 and 3

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

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

Section 13: E $\frac{1}{2}$ W $\frac{1}{2}$

Section 24: NE $\frac{1}{4}$ NW $\frac{1}{4}$

Wellbore Spacing Unit ("WSU") No. 4

200 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 200-acre horizontal wellbore spacing units and two approximate 400-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 Niobrara Formation. 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. Azul 13-6HZ Well (API No. 05-123-45912) – Niobrara Formation - WSU #1.
- b. Azul 13-7HZ Well (API No. 05-123-45911) – Niobrara Formation - WSU #2.
- c. Azul 13-8HZ Well (API No. 05-123-45910) – Niobrara Formation - WSU #3.
- d. Azul 13-10HZ Well (API No. 05-123-45918) – Niobrara Formation - WSU #4.

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. 1-4 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 Wells within WSU Nos. 1-4.

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. 1-4 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 Wells within WSU Nos. 1-4.

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 18th day of January, 2018.

Respectfully submitted,

KERR-MCGEE OIL & GAS ONSHORE LP

By: 
James Parrot
Jillian Fulcher
Evan Bekkedahl
Beatty & Wozniak, P.C.
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Denver, Colorado 80202
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Applicant's Address:

Kerr-McGee Oil & Gas Onshore LP
ATTN: Tom Yaley
1099 18th Street, Suite 1360
Denver, Colorado 80202

VERIFICATION

STATE OF COLORADO

CITY & COUNTY OF DENVER

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) ss.
)

Tom Yaley, 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.

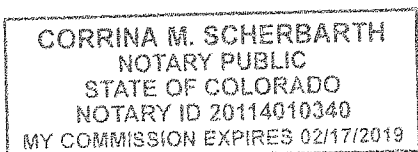
KERR-MCGEE OIL & GAS ONSHORE LP

Tom Yaley
Tom Yaley

Subscribed and sworn to before me this 18th day of January, 2018,
by Tom Yaley, Landman for Kerr-McGee Oil & Gas Onshore LP.

Witness my hand and official seal.

My commission expires: 2/17/2019



Corina M. Scherbar
Notary Public

Exhibit A

Reference Map for Pooling Application

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

Section 13: $W\frac{1}{2}W\frac{1}{2}$

Section 24: $NW\frac{1}{4}NW\frac{1}{4}$

Wellbore Spacing Unit ("WSU") No. 1

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

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

Section 13: $W\frac{1}{2}$

Section 24: $N\frac{1}{2}NW\frac{1}{4}$

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

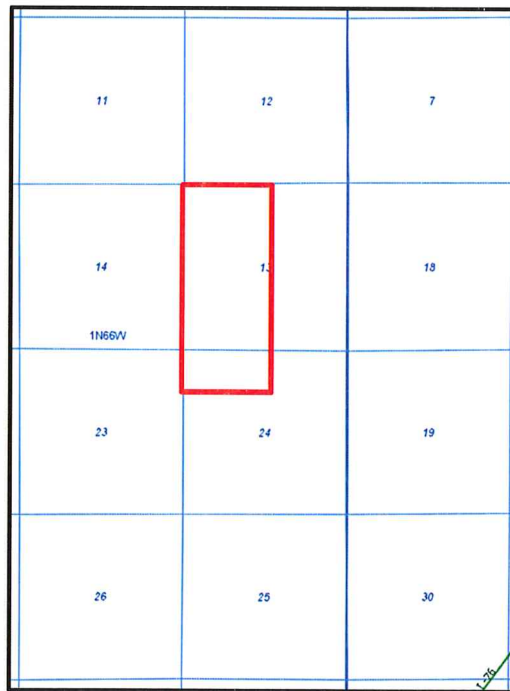
Township 1 North, Range 66 West, 6th P.M.

Section 13: $E\frac{1}{2}W\frac{1}{2}$

Section 24: $NE\frac{1}{4}NW\frac{1}{4}$

Wellbore Spacing Unit ("WSU") No. 4

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



 = Application Lands

IN THE MATTER OF AN APPLICATION BY KERR-MCGEE OIL & GAS ONSHORE LP FOR AN ORDER POOLING ALL INTERESTS IN TWO APPROXIMATE 200-ACRE DESIGNATED HORIZONTAL WELLBORE SPACING UNITS AND TWO APPROXIMATE 400-ACRE DESIGNATED HORIZONTAL WELLBORE SPACING UNITS FOR CERTAIN PORTIONS OF SECTIONS 13, AND 24, TOWNSHIP 1 NORTH, RANGE 66 WEST, 6TH P.M., FOR THE DEVELOPMENT/OPERATION OF THE NIOBRARA FORMATION, WATTENBERG FIELD, WELD COUNTY, COLORADO

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 January 25, 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.

Notary Public

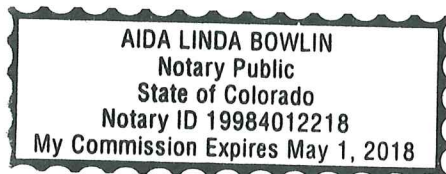


EXHIBIT A

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 Land Corp.
1099 18th Street, Suite 1800
Denver, CO 80202

Rio Brazos Mineral Company
P.O. Box 2014
Graham, TX 76450

Paul Eugene Frisk and
Quengilyn Frisk, JT
17400 CR 8
Brighton, CO 80603

Richard Maestas and
Kathleen Maestas, JT
17186 County Road 8
Brighton, CO 80601

Mountaintop Minerals, LLC
370 17th St., Suite 5350
Denver, CO 80202

Travis Sorensen and
Emma Sorensen, JT
6800 E 60th Ave
Commerce City, CO 80022

RAISA II Minerals, LLC
PO Box 987
Denver, CO 80201

Atomic Capital Minerals LLC
2777 Allen Parkway Suite 1185
Houston, TX 77019

Blackriver, LLC
8001 S Interport Blvd #260
Englewood, CO 80112

Blackriver Niobrara Partners, LLC
8001 S Interport Blvd #260
Englewood, CO 80112

Stratex Oil & Gas Holdings, Inc.
1669 Thomaston Ave
Waterbury, CT 06704

Sonic Minerals, LP
P.O. Box 1240
Graham, TX 76450

Birmingham Corporation
1800 Canyon Prk Circle #201
Edmond, OK 73013

G.E. Rogers, LLC
P.O. Box 1424
Graham, TX 76450

EG Energy LLC
P.O. Box 6244
Leawood, KS 66206

RECCE Investments LLC
1300 Fisher St.
Graham, TX 76450

TC Energy, LLC
P.O. Box 2016
Graham, TX 76450

Creede Exploration, Inc.
2429 S. Earl Rudder Freeway #100
College Station, TX 77845

KLB Energy LLC
917 Park Street
Graham, TX 76450

B.F. Albriton LLC
P.O. Box 266
Graham, TX 76450

Tom Puff Inc
1320 Lake Street
Fort Worth, TX 76102

HM Bettis, Inc.
P.O. Box 1240
Graham, TX 76450