

**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 320-ACRE DESIGNATED HORIZONTAL WELLBORE SPACING UNIT FOR CERTAIN PORTIONS OF SECTIONS 2 AND 11, TOWNSHIP 1 NORTH, RANGE 68 WEST, 6TH P.M. AND CERTAIN PORTIONS OF SECTION 35, TOWNSHIP 2 NORTH, RANGE 68 WEST, 6TH P.M., FOR THE DEVELOPMENT/OPERATION OF 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"), 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 an approximate 320-acre horizontal wellbore spacing unit established for certain portions of Sections 2 and 11, Township 1 North, Range 68 West, 6th P.M. and certain portions of Section 35, Township 2 North, Range 68 West, 6th P.M., for the development and operation of the Codell 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 owns a leasehold interest in the below-listed lands:

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

Section 2: W¹/₂E¹/₂

Section 11: NW¹/₄SE¹/₄; W¹/₂NE¹/₄

Township 2 North, Range 68 West, 6th P.M.

Section 35: SW¹/₄SE¹/₄

Wellbore Spacing Unit ("WSU") No. 1

320 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 an approximate 320-acre horizontal wellbore spacing unit comprised of certain portions of the Application Lands, for the below-described well, for the production of oil, gas and associated hydrocarbons from the Codell Formation. Applicant notified all owners in the proposed 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. Cochran 27C-2HZ Well (API No. 05-123-44872) - Codell Formation - WSU #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 Codell 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, the

Commission enter its order:

A. Pooling all interests in WSU No. 1 established for the Application Lands, for the development and operation of the Codell 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 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.

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

DATED this 18th day of March, 2018.

Respectfully submitted,

KERR-MCGEE OIL & GAS ONSHORE LP

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

Applicant's Address:
Kerr-McGee Oil & Gas Onshore LP
ATTN: Tom Yaley
1099 18th Street, Suite 1320
Denver, Colorado 80202

VERIFICATION

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

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 1st day of March, 2018, by Tom Yaley, Landman for Kerr-McGee Oil & Gas Onshore LP.

Witness my hand and official seal.

My commission expires: 9/21/2019

KATHY ALGIENE
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20034013016
MY COMMISSION EXPIRES 09/21/2019

Kathy Algine
Notary Public

Exhibit A

Reference Map for Pooling Application

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

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

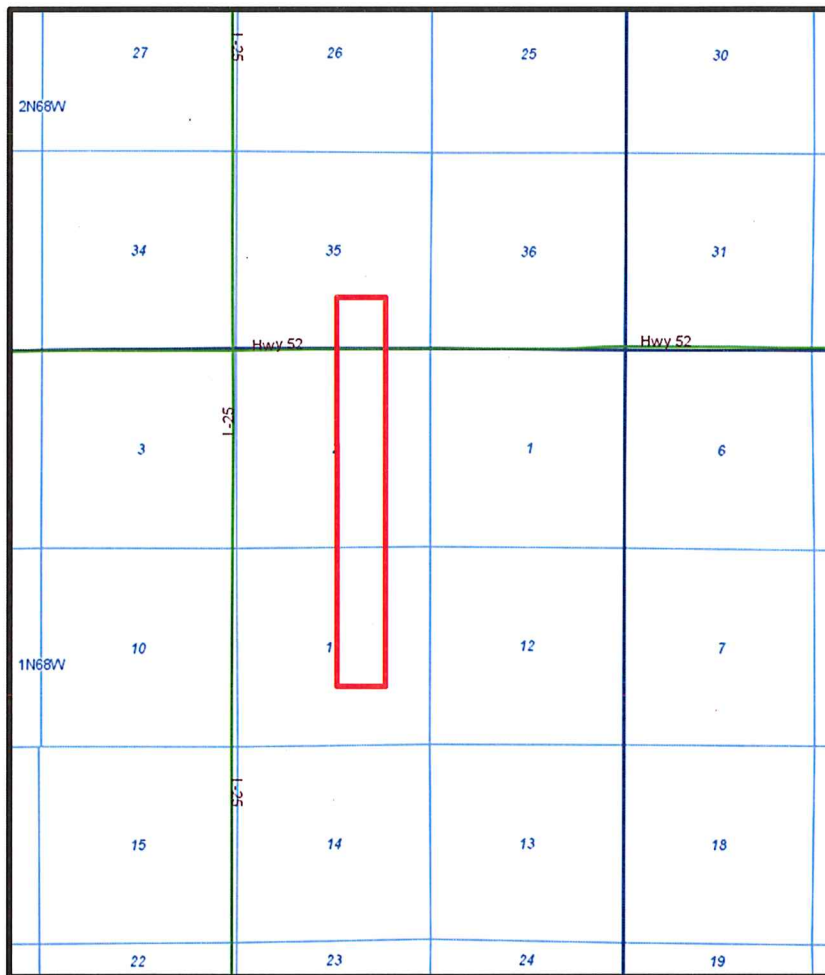
Section 11: $NW\frac{1}{4}SE\frac{1}{4}; W\frac{1}{2}NE\frac{1}{4}$

Township 2 North, Range 68 West, 6th P.M.

Section 35: $SW\frac{1}{4}SE\frac{1}{4}$

Wellbore Spacing Unit ("WSU") No. 1

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



 = Application Lands

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 ONSHORE LLC
1099 18TH ST, SUITE 1800
DENVER, CO 80202

GRANT GILKINSON
16008 N.E 26TH STREET
BELLEVUE, WA 98008

BEVERLY J. COLLINS
3764 SOUTH GOLDEN WAY
DENVER, CO 80227

LUCILLE ARMSTRONG
701 E. LASSEN AVE, #134
CHICO, CA 95973

VIOLA LARA
10160 SHADY DAWN LANE
JAMESTOWN, CA 95327

DAVID P. NELSON FAMILY PARTNERSHIP, LLP
11023 W. HINDSALE DRIVE
LITTLETON, CO 80127

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

JUNE ANN PEASE
33800 SE FREDERICK ST APT. 119
SCAPPOOSE OR 97056

BRETT WILCOX, TRUSTEE FOR BENEFIT OF
GLENN GILKINSON
2727 NW WESTOVER ROAD
PORTLAND, OR 97210

WOLFhawk ENERGY HOLDINGS, LLC
1580 LINCOLN STREET, SUITE 1110
DENVER, CO 80203

ROBERTA A. HENSLEY
PO BOX 454
RODEO, CA 94572

CAROL N. COBURN FAMILY LIMITED
PARTNERSHIP, LLP
7380 WINDSOR DRIVE
BOULDER CO 80301

KENT P. NELSON FAMILY PARTNERSHIP, LLP
1449 DJAX WAY
LONGMONT, CO 80504