

**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 THREE (3) APPROXIMATE 640-ACRE DESIGNATED HORIZONTAL WELLBORE SPACING UNITS FOR PORTIONS OF SECTIONS 9, 16, AND 21, TOWNSHIP 2 NORTH, RANGE 67 WEST, 6TH P.M., FOR THE DEVELOPMENT/OPERATION OF 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"), 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 three (3) approximate 640-acre designated horizontal wellbore spacing units for portions of Sections 9, 16, and 21, Township 2 North, Range 67 West, 6th P.M., for the 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 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 2 North, Range 67 West, 6th P.M.

Section 9: S $\frac{1}{2}$ SW $\frac{1}{4}$

Section 16: W $\frac{1}{2}$

Section 21: N $\frac{1}{2}$ SW $\frac{1}{4}$; NW $\frac{1}{4}$

Wellbore Spacing Unit ("WSU") Nos. 1 - 3

640 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 three (3) approximate 640-acre horizontal wellbore spacing units comprised of the Application Lands, for the below-described wells, for the production of oil, gas, and associated hydrocarbons from the Niobrara and Codell 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 designated horizontal wellbore spacing units within the 30-day response period:

- a. Reese 21-4HZ Well (API No. 05-123-47869) - Codell Formation - WSU No. 1;
- b. Reese 21-5HZ Well (API No. 05-123-47870) - Niobrara Formation - WSU No. 2;
- c. Reese 21-6HZ Well (API No. 05-123-47871) - Niobrara Formation - WSU No. 3.

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 - 3 established for the Application Lands, for the development and operation of the Niobrara and Codell 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 - 3.

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 - 3 established for the Application Lands, for the development and operation of the Niobrara and Codell 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 - 3.

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 29th of November, 2018

Respectfully submitted,

KERR-MCGEE OIL & GAS ONSHORE LP

By: James Parrot
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@bwenerylaw.com
jfulcher@bwenerylaw.com
jrittenhouse@bwenerylaw.com

Applicant's Address:

Kerr-McGee Oil & Gas Onshore LP
ATTN: Justin Shoulders
1099 18th Street, Suite 1480
Denver, Colorado 80202

VERIFICATION

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

Justin Shoulders, 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


Justin Shoulders

Subscribed and sworn to before me this 28th day of November, 2018,
by Justin Shoulders, Landman for Kerr-McGee Oil & Gas Onshore LP.

Witness my hand and official seal.

My commission expires: 11/7/2024

CELESTE C CARDOSO
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20134060883
MY COMMISSION EXPIRES 11/07/2021

Notary Public

Exhibit A

Reference Map for Pooling Application

Township 2 North, Range 67 West, 6th P.M.

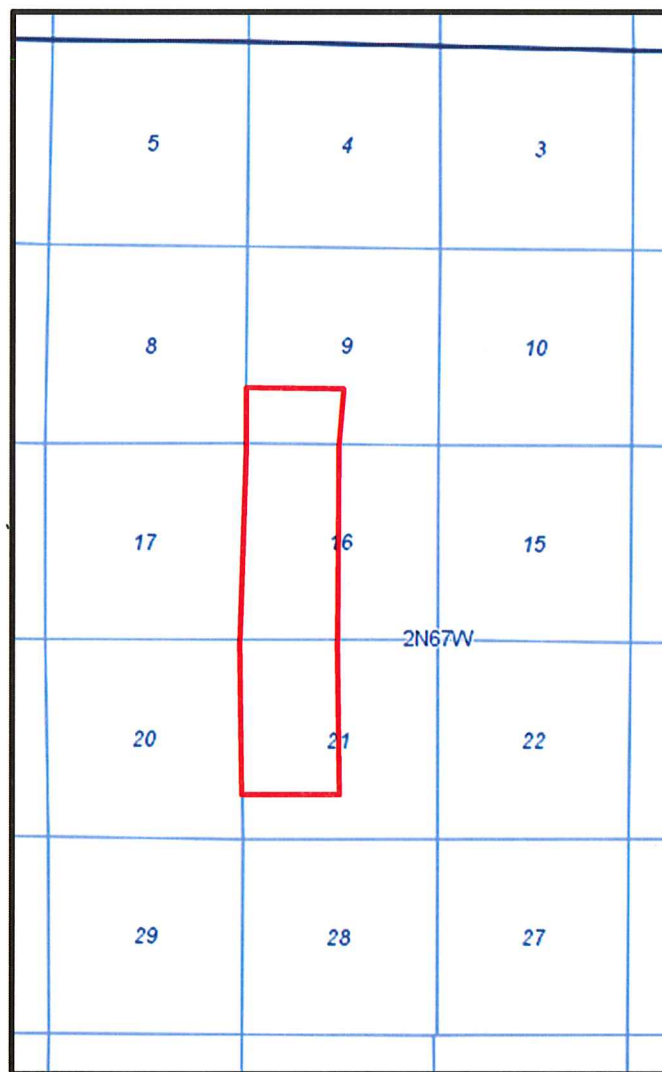
Section 9: S $\frac{1}{2}$ SW $\frac{1}{4}$

Section 16: W $\frac{1}{2}$

Section 21: N $\frac{1}{2}$ SW $\frac{1}{4}$; NW $\frac{1}{4}$

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

640 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 THREE (3) APPROXIMATE 640-ACRE DESIGNATED HORIZONTAL WELLBORE SPACING UNITS FOR PORTIONS OF SECTIONS 9, 16, AND 21, TOWNSHIP 2 NORTH, RANGE 67 WEST, 6TH P.M., FOR THE DEVELOPMENT/OPERATION OF THE NIOBRARA AND CODELL FORMATIONS, 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 the 6th day of December, 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.


Jo Cooks

Subscribed and sworn to before me this 22nd day of November, 2018.

Witness my hand and official seal.


Notary Public

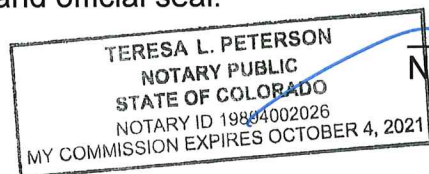


EXHIBIT A

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**.

Bartels Minerals LLC a Colorado limited liability company
3620 W. 10th St.
Greeley, CO 80634

Carol Roberts, Personal Representative of the Estate of Terry Ruth Gardner
1129 19th Ave.
Boulder, CO 80501

ECM Resources, Inc.
PO Box 3668
Littleton, CO 80161

John F. Leonard and Patricia Ann Wilson, Trustees of the John F. Leonard Living Trust dated April 6, 1993
417 Pamela Drive
Loveland, CO 80537

Justine M. Moore
2420 West 80th
Denver, CO 80221

Kay Kugel Sachs
2640 Elmhurst Circle
Longmont, CO 80503

Mary L. LaPoint
1719 Viscounti Drive
Sandy, UT 84093

Myrtle A. Telep
2315 54th Avenue
Greeley, CO 80634

PATRICIA A JONES
13600 WCR 11
Longmont, CO 80504

Patricia Ann Kugel
PO Box 6103
Galena, IL 61036

Richard J. Bartels and Robbin L. Peppler, as Trustees of the Grandchildren's Trust II
2131 62nd Ave.
Greeley, CO 80634

Ruth Martin
8592 CR 24
Fort Lupton, CO 80621

The Gary P. Kugel Trust fbo Janice K. Kugel under will dated December 7, 2009
2432 10th Street
Boulder, CO 80304

Tina Kay Sprague Living Trust
818 Busch Street
Longmont, CO 80501

Extraction Oil & Gas, Inc.
370 17th St., Ste. 5300
Denver, CO 80202

Bryan Kugel and Nancy Kugel, Co-Trustees of the Bryan Kugel Living Trust dated August 9, 2000
16484 CR 1060
Lamont, OK 74643

Centennial Band of the West, formerly First National Bank of Longmont, Successor Trustee of the Tina Kay Sprague Trust
818 Busch Street
Longmont, CO 80501

JOHN DAVID JOHNSON AND JUDITH NIX JOHNSON, TRUSTEES OF THE JOHN DAVID JOHNSON AND JUDITH NIX JOHNSON REVOCABLE TRUST UTA 8/12/2004
1280 Vista Del Monte
Las Cruces, NM 88007

Judith N. Johnson
1280 Vista Del Monte
Las Cruces, NM 88007

Kathryn B. Stahlman and Robbin L. Peppler, as Trustees of the Grandchildren's Trust I
2131 62nd Ave.
Greeley, CO 80634

Marilyn R. Hunt Revoacable Living Trust
7900 W. Harvard Pl.
Lakewood, CO 80227

Mindy Rene Sprague
10732 WCR 17
Longmont, CO 80504

Nancy E. Brown
2808 Bent Ave.
Cheyenne, WY 82001

Patricia A. Wilcox Living Trust dated April 24,
1996
417 Pamela Drive
Loveland, CO 80537

Paul L. McCullis
PO Box 3248
Littleton, CO 80161

Robert B. Brown
1038 East Bryan Ave.
Salt Lake City, UT 84105

State of Colorado
1127 Sherman Street, Ste. 300
Denver, CO 80203

The John D. Stephenson Family Trust
1575 Ocean Shore Blvd. #602
Ormond Beach, FL 32176

Crestone Peak Resources Holdings LLC
1801 California St., Ste. 2500
Denver, CO 80202

Kerr-McGee Oil & Gas Onshore LP
ATTN: Justin Shoulders
1099 18th Street, Suite 1480
Denver, Colorado 80202