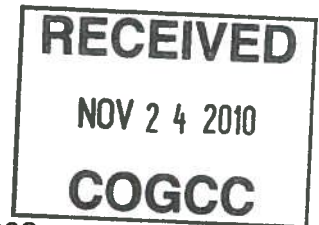




BEFORE THE OIL & GAS CONSERVATION COMMISSION
OF THE STATE OF COLORADO



IN THE MATTER OF THE APPLICATION OF)
KERR-MCGEE OIL & GAS ONSHORE LP FOR)
AN ORDER POOLING ALL UNLEASED AND)
NONCONSENTING INTERESTS IN THE)
PRODUCING FORMATIONS, INCLUDING)
BUT NOT LIMITED TO THE SUSSEX AND)
DAKOTA FORMATIONS, WITHIN CERTAIN)
DESCRIBED DRILLING AND SPACING UNITS)
LOCATED IN THE WATTENBERG FIELD,)
WELD COUNTY, COLORADO)

Cause No. 407, 499, 232,

Docket No. _____

ORIGINAL

APPLICATION

COMES NOW Kerr-McGee Oil & Gas Onshore LP (referred to herein as "Applicant"), by and through its undersigned attorneys, and makes application to the Oil and Gas Conservation Commission of the State of Colorado ("COGCC"), for an order pooling all unleased and non-consenting interests in designated drilling and spacing units established for the production of oil from all producing formations (including but not limited to the Sussex and Dakota Formations) located within portions of Sections 7, 8, 17, 18 and 19 in Township 3 North, Range 66 West, 6th P.M. in Weld County, Colorado ("Application Lands"). In support thereof, the Applicant states and alleges as follows:

1. Applicant is a corporation duly authorized to conduct business in the State of Colorado.
2. Applicant owns the majority of the leasehold interests within each of the units requested for pooling.
3. Attached hereto as Exhibit "A" is a spreadsheet of certain wells which Applicant has either drilled or is preparing to drill to produce oil from the producing formations including but limited to the Sussex, Dakota, Codell, Niobrara and J-Sand Formations. Such spreadsheet also includes the land description of the spacing unit for each well. These wells are subject to Order No. 407-1, 407-87, Rule 318A.a.(4)(C) and 318A.e.(2) for the Codell and Niobrara Formations, Rule 499-15 for the Dakota Formation, and Order 232-23 for the J-Sand Formation. The Sussex Formation is governed by Rule 318 in these sections.
4. On September 1, 2010, Applicant filed an Application seeking an order pooling all unleased and non-consenting interests for the drilling and spacing units and respective wells listed on Exhibit "A" for the production of oil from the Codell, Niobrara, and JSand Formations located within the Application Lands. Applications for Permits to Drill and Plats of the wells were provided to the COGCC in Docket No. 1011-UP-62. The September 1, 2010 application, Docket No. 1011-UP-62, will be heard by the COGCC at the November 29, 2010 hearing.

5. Applicant seeks an order pooling all unleased and non-consenting interests in each drilling unit for the drilling of the described wells within that unit, and for wells drilled in the future in that unit for the development and operation of any producing formation, including but not limited to the Sussex and Dakota Formations.

6. Applicant requests that the COGCC's order issued be effective retroactive to the date each listed well was (or is) spudded, or to the application date, whichever is the earliest.

7. Upon information and belief, all of the parties listed on Exhibit "B" attached hereto own unleased mineral interests in each of the drilling and spacing units and the respective wells described in Exhibit "A". Notwithstanding diligent and exhaustive efforts, Applicant has been unable to locate these parties.

8. In order to prevent waste, protect correlative rights, all interests owned by the unleased and nonconsenting parties listed on Exhibit "B" should be pooled for each of the described wells in the producing formations, including but not limited to, the Sussex and Dakota, as applicable, Formations in accordance with C.R.S. §34-60-116 and Rule 530 of the COGCC.

9. Rule 507.b.(2) requires "notice of the application shall be served on those persons who own any interest in the mineral estate of the tracts to be pooled" For applications for involuntary pooling orders made pursuant to C.R.S. §34-60-116. Notice of this involuntary pooling application is being sent to those unlocatable, unleased mineral interest owners. The notice is not being provided to any of the owners of the *gas* estate for the Application Lands since those interests are not included in this involuntary pooling application. Further, notice of this involuntary pooling has not been provided to owners of the leased *oil* interests as they are already leased and are not being force pooled.

10. In the event the COGCC applies a broader interpretation of Rule 507, Applicant requests a variance under Rule 502.b waiving any requirement to give notice of this Application to all such mineral interest owners as otherwise may be required under Rule 507.b.2. or 507.3.e. as the Notice of Publication will protect other interested parties.

WHEREFORE, Applicant respectfully requests that this matter be set for hearing, that notice thereof be given as required by law and that upon such hearing this Commission shall enter its order (i) pooling the interests of each and every party listed in Exhibit "B" in all of the wells and drilling units described in Exhibit "A" for the production of oil from the producing formations, including but limited to the Sussex and Dakota Formations, all in accordance with C.R.S. §34-60-116; that the effective date of such order as it is applicable to each of the described wells shall be the date the well was (or is) spudded, or the application date, if such date occurs before the spud date, and (ii) if necessary, grant

a variance under Rule 502.b. waiving any requirement to give notice of this Application to all such mineral interest owners as otherwise may be required under Rule 507.b.2. or 507.3.e.

Dated this 23rd day of November, 2010.

Respectfully submitted,

KERR-MCGEE OIL & GAS ONSHORE LP

By: Jamie L. Jost

William Keefe

Jamie L. Jost

Beatty & Wozniak, P.C.

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(303) 407-4499

Applicant's Address:

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Denver, CO 80217-3379

VERIFICATION

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

David Verity, of lawful age, being first duly sworn upon oath, deposes and says that he is Senior Staff Landman for Kerr-McGee Oil & Gas Onshore LP and that he has read the foregoing Application and that the matters therein contained are true to the best of my knowledge, information and belief.



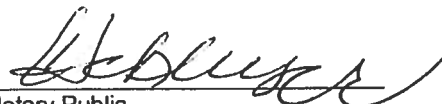
David Verity, Senior Staff Landman

Subscribed and sworn to before this 23rd day of November, 2010.

Witness my hand and official seal.

[SEAL]

My commission expires: 8-13-2013



Notary Public

172519

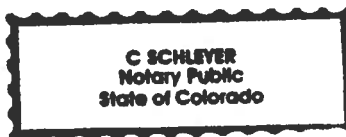


EXHIBIT A

API #	WELL NAME	DATE OF 1ST PRODUCTION	TWN	RNG	SEC	SPACING ACRES	DRILLING AND SPACING UNITS	RELEVANT ORDERS
05-123-24065	DEVON 25-8 JSND	8/7/2008	3N	66W	8	160	NWSE,NESW,SWNE,SENW	318Ae
05-123-24065	DEVON 25-8 CD-NB	1/4/2007	3N	66W	8	160	NWSE,NESW,SWNE,SENW	318Ae
05-123-18800	HSR-TUTTLE 3-8A NB-CD	1/4/2007	3N	66W	8	80	N/2NW/4	407-87
05-123-18800	HSR-TUTTLE 3-8A JSND	1/4/2007	3N	66W	8	320	W/2	232-23
05-123-18801	HSR-TUTTLE 4-8 JSND (aka TUTTLE 4-8 JSND)	1/4/2007	3N	66W	8	320	W/2	232-23
05-123-18801	HSR-TUTTLE 4-8 NB-CD (aka TUTTLE 4-8 NB-CD)	1/4/2007	3N	66W	8	160	N/2NW/4	407-87
05-123-18803	HSR-TUTTLE 6-8 JSND	1/4/2007	3N	66W	8	320	W/2	232-23
05-123-18803	HSR-TUTTLE 6-8 NB-CD	1/4/2007	3N	66W	8	80	S/2NW/4	407-87
05-123-08424	TUTTLE J BURTON GU 1	1/4/2007	3N	66W	8	320	W/2	232-23
05-123-15348								
	MILLER ESTATE 8-11K JSND	1/4/2007	3N	66W	8	320	W/2	232-23
05-123-20142	HSR-BELLA 13-8A JSND	1/4/2007	3N	66W	8	320	W/2	232-23
05-123-30696	BELLA 19-8 JSND	PRE COMPLETION	3N	66W	8	320	W/2	232-23
05-123-18802	HSR-TUTTLE 5-8 NB-CD (aka TUTTLE 5-8A NB-CD)	1/4/2007	3N	66W	8	160	S/2NW/4	407-87
05-123-18802	HSR-TUTTLE 5-8 JSND (aka TUTTLE 5-8A JSND)							
05-123-30780	BELLA 22-8 NB-CD	3/25/2010	3N	66W	8	160	S/2NW & N/2SW/4	232-23
05-123-24857	BELLA 21-8 NB-CD	3/22/2010	3N	66W	8	160	E/2NW & W/2NE	318Ae
							7: E/2NE	
05-123-24739	BELLA FEDERAL 41-7 NB-CD	3/22/2010	3N	66W	8	160	8: W/2NW	318Ae
							7: E/2NE	
05-123-24739	BELLA FEDERAL 41-7 JSND	PRE COMPLETION	3N	66W	8	160	8: W/2NW	318Ae

EXHIBIT A

API #	WELL NAME	DATE OF 1ST PRODUCTION	TWN	RNG	SEC	SPACING ACRES	DRILLING AND SPACING UNITS	RELEVANT ORDERS
05-123-17092	HSR-STEWART 2-18 NB-CD	1/4/2007	3N	66W	18	78.162	W/2NE/4	407-87
05-123-17092	HSR-STEWART 2-18 JSAND	1/4/2007	3N	66W	18	320	E/2	232-23
05-123-17093	HSR-STEWART 7-18A NB-CD	1/31/2007	3N	66W	18	78.162	W/2NE/4	407-87
05-123-17093	HSR-STEWART 7-18A JSAND	1/4/2007	3N	66W	18	320	E/2	232-23
05-123-19185	HSR-STEWART 10-18 NB-CD	1/31/2007	3N	66W	18	80	W/2SE/4	407-87
05-123-19185	HSR-STEWART 10-18A JSND	January 4, 2007	3N	66W	18	320	E/2	232-23
05-123-20139	HSR-SHUTT FEDERAL 1-18A JSAND	shut in: 3/8/2010 flowing: 1/4/2007	3N	66W	18	320	E/2	232-23
05-123-20139	HSR-SHUTT FEDERAL 1-18A NB-CD	January 4, 2007	3N	66W	18	80	E/2NE/4	407-87
05-123-21245	SHUTT FEDERAL 8-18A JSND	shut in: 3/2/2010 flowing: 4/25/2007	3N	66W	18	320	E/2	232-23
05-123-21245	SHUTT FEDERAL 8-18A NB-CD	shut in: 3/2/2010 flowing: 2/20/2007	3N	66W	18	80	E/2NE/4	407-87
05-123-21403	SHUTT 9-18 NB-CD	January 23, 2008	3N	66W	18	80	E/2SE/4	407-87
05-123-21403	SHUTT 9-18 JSND	March 12, 2008	3N	66W	18	320	E/2	232-23
05-123-21244	SHUTT FEDERAL 16-18A NB-CD	March 10, 2008	3N	66W	18	80	E/2SE/4	407-87
05-123-21244	SHUTT FEDERAL 16-18A JSAND	August 4, 2008	3N	66W	18	320	E/2	232-23
05-123-19196	HSR-CAMP 15-18 NB-CD	April 6, 2010	3N	66W	18	80	W/2SE/4	407-87
05-123-08231	MAUDE ANDERSON GAS UNIT 1 JSND	January 4, 2007	3N	66W	18	320	E/2	232-23
05-123-09826	MAUDE ANDERSON GAS UNIT 2 JSND	shut in: 3/19/2007 flowing: 1/4/2007	3N	66W	18	320	E/2	232-23
05-123-09826	MAUDE ANDERSON GAS UNIT 2 NB-CD	April 1, 2007 PRE	3N	66W	18	160	SE/4	407-87
05-123-30844	BARRON FEDERAL 24-18 NB-CD	DRILL/PREPARING TO DRILL PRE	3N	66W	18	160	S/2NE/4 & N/2SE/4	407-87
05-123-30830	BARRON 39-18 NB-CD	DRILL/PREPARING TO DRILL PRE	3N	66W	18	160	18: E/2SE/4 17: W/2SW/4	318Ae

05-123-30835	BARRON FEDERAL 37-18 NB-CD	PRE DRILL/PREPARING TO DRILL	3N	66W	18	160	18: S/2SE/4 19: N/2NE/4	318Ae
05-123-30845	BARRON FEDERAL 23-18 NB-CD	DRILL/PREPARING TO DRILL	3N	66W	18	160	E/2SW & W/2SE/4	318Ae
05-123-30776	BELLA FEDERAL 36-7 NB- CD	February 1, 2010	3N	66W	18	160	7: SE/4SW/4, SW/4 SE/4 18: NE/4NW/4, NW/4NE/4	318Ae
05-123-30776	BELLA FEDERAL 36-7 JSAND	-	3N	66W	18	160	7: SE/4SW/4, SW/4 SE/4 18: NE/4NW/4, NW/4NE/4	318Ae
05-123-30783	BELLA FEDERAL 37-7 NB- CD	February 1, 2010	3N	66W	18	160	7: S/2SE/4 18: N/2NE/4	318Ae

EXHIBIT B

Francis Nuckolls Kelly, daughter of Rupert N. Nuckolls and Georgia E. Nuckolls

Peggy Ann Stephenson, daughter of Margaret Mauss Stephenson and Ross Stephenson (deceased)