



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



IN THE MATTER OF THE PROMULGATION)
AND ESTABLISHMENT OF FIELD RULES TO)
GOVERN OPERATIONS IN THE)
WATTENBERG FIELD, WELD COUNTY,)
COLORADO)

CAUSE No. 407, 499, 232

DOCKET No. 1102-UP-12

REQUEST FOR RECOMMENDATION OF
APPROVAL OF APPLICATION WITHOUT A HEARING

Kerr-McGee Oil & Gas Onshore LP ("Kerr-McGee"), by and through its undersigned attorneys, hereby requests pursuant to Rule 511.a. of the Rules and Regulations of the Colorado Oil and Gas Conservation Commission ("Commission") for the Director to recommend approval of its September 1, 2010 verified application ("Application") and the supporting exhibits without a hearing.

Kerr-McGee requests that the above-captioned matter be approved based upon: (i) the merits of the Application for the force pooling of interests in certain described wells and future wells drilling in designated drilling and spacing units and wellbore spacing units located in Sections 7, 8, 17 through 19, in Township 3 North, Range 66 West, 6th P.M., Weld County, Colorado, and (ii) Kerr-McGee's sworn written testimony verifying sufficient facts along with exhibits that adequately support the relief requested in the Application. As of January 31, 2011, no protests have been filed.

In the event that this request is denied, Kerr-McGee requests that the administrative hearing for this matter occur at a convenient time prior to the Commission hearing on February 22, 2011.

WHEREFORE, Kerr-McGee requests that its request for a recommendation for approval of its Application without a hearing be granted.

DATED this 31st day of January, 2011.

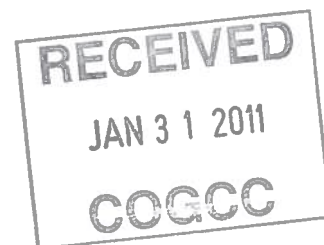
Respectfully submitted,

NOBLE ENERGY, INC.

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ORIGINAL

KERR-MCGEE OIL & GAS ONSHORE LP



Cause Nos. 232 & 407, Docket No. 1102-UP-12

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

IN THE MATTER OF THE PROMULGATION AND)	
ESTABLISHMENT OF FIELD RULES TO GOVERN)	CAUSE NOS. 407, 499, 232
OPERATIONS IN THE WATTENBERG FIELD,)	
WELD COUNTY, COLORADO)	DOCKET NO. 1102-UP-12

Testimony of David Verity

My name is David Verity and I am currently employed as a Landman for Kerr-McGee Oil & Gas Onshore LP ("Kerr-McGee"). I have over thirty-four (34) years experience as a Landman and have worked with Kerr-McGee since approximately 2005 working directly with the properties that are the subject of the pending application. My resume is available upon request.

In support of this Kerr-McGee application, I, or someone at my direction and control, prepared two (2) exhibits.

Kerr-McGee seeks an order, effective as of the spud date of the wells, pooling unleased/non-consenting interests for certain described wells in designated drilling and spacing units established for the production of oil, gas and associated hydrocarbons 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. In support thereof, the Applicant states and alleges as follows:

1. Applicant owns the majority of the leasehold interests within each of the drilling and spacing units for which pooling is requested.
2. Attached Exhibit "A" is a spreadsheet of certain wells which Applicant has drilled to produce from the Sussex, Dakota, Codell, Niobrara and J Sand Formations. Such spreadsheet also includes the API number, land description of the spacing unit for each well, and the COGCC rules and orders applying to these wells: 407-1, 407-87, 499-15, 232-23, and Rule 318A.
3. During a title review in approximately June, 2009, it was determined that ownership of the *oil* from the wells identified on Exhibit "A" is different from the ownership of the gas in those same wells. Typically the same party holds the rights to the oil and the gas. A deed from the early 1900's created a severance between the oil and the gas mineral interest. The gas in these drilling and spacing units and respective wells is already leased, and no gas interests are being force pooled as a result of this application.
4. In order to determine the *oil* ownership, Kerr-McGee hired Exterra Resources ("Exterra"), a third party consultant, whom I supervised. Kerr-McGee and Exterra did an exhaustive search, which including ancestry and other searches for heirs and owners, and Kerr-McGee determined over fifty (50) parties had an interest in the *oil* produced from wells identified on Exhibit "A". Kerr-McGee spent over \$38,000 and significant time and labor in this search. Kerr-McGee has leased the interests of all but the two parties (or the heirs) identified on attached Exhibit "B". It is upon

information and belief, the parties listed on Exhibit "B" own unleased oil interests in each of the drilling and spacing units/wells described in Exhibit "A". It is unknown whether these parties are alive or deceased, we have no known address and we are unable to determine if they have living heirs.

5. In order to prevent waste, protect correlative rights, all interests owned by the unleased parties listed on Exhibit "B" should be pooled for each of the described drilling and spacing units and described wells in all the producing formations including the Sussex, Dakota, Codell, Niobrara and J Sand Formations in accordance with C.R.S. §34-60-116 and Rule 530 of the COGCC.

6. For purposes of applications for involuntary pooling orders made pursuant to C.R.S. §34-60-116, COGCC 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." Notice has not been provided to the owners of the gas estate since that interest is not being pooled. Furthermore, notice of the force pooling of these unleased interests, unlocatable owners has not been provided to owners of the leased *oil* interests as they are leased and are also not being force pooled.

In the event the COGCC holds a broader interpretation of the notice rule requiring notice to any mineral interest owner in the drilling and spacing units, regardless of whether that party is being force pooled, then as a part of the above-captioned Application, Kerr-McGee requests that the Commission 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. The parties are not being force pooled and therefore they are not prejudiced by lack of specific notice. Notice of publication will also protect such interests.

Moreover, to notice all oil and gas interests in all the drilling and spacing units would be overly burdensome and costly to Kerr-McGee as there are a significant number of mineral interests in the numerous drilling and spacing units who are already leased. Specifically, those parties owning the *gas* interests would be confused as to why they are being noticed with an application intended to force pool unleased *oil* interests of a few parties that cannot be located.

7. Kerr-McGee has not attached the applications for permits to drill ("APDs") and plats for the wells reflected on Exhibit "A" because the APDs were submitted to the Commission in Docket No. 1011-UP-62. As such, Kerr-McGee respectfully requests that the Commission take notice of the testimony and exhibits presented in Docket No. 1011-UP-02.

To the best of my knowledge and belief, all the matters set forth herein, my testimony and the exhibits are true, correct and accurate.


David Verity, Senior Staff Landman
Kerr-McGee Oil & Gas Onshore LP


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

The foregoing instrument was subscribed and sworn to before me this 3rd day of January, 2011, by David Verity, Landman for Kerr-McGee Oil & Gas Onshore LP.

Witness my hand and official seal.

[SEAL]

My commission expires: 8-13-2013


Notary Public

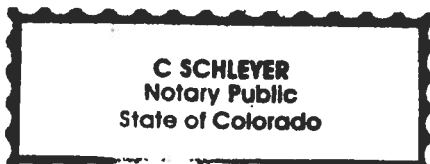


EXHIBIT A

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 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 JSAND	1/4/2007	3N	66W	18	320	E/2	232-23
05-123-20139	HSR-SHUTT FEDERAL 1-18A NB-CD	January 4, 2007 shut in: 3/2/2010 flowing: 4/25/2007	3N	66W	18	80	E/2NE/4	407-87
05-123-21245	SHUTT FEDERAL 8-18A JSND	3/2/2010	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 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 JSND	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 PRE	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 B. Nuckolls and Georgia E. Nuckolls

Peggy Ann Stephenson, daughter of Margaret Mauss Stephenson and Ross Stephenson

Amended NOTICE MAILED 02/04/2011



02297333

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1102-UP-12

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