

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

IN THE MATTER OF THE APPLICATION OF  
AXIA ENERGY, LLC FOR AN ORDER TO POOL  
ALL INTERESTS IN AN APPROXIMATE 2604.68-  
ACRE UNIT LOCATED IN SECTIONS 17, 18, 19  
AND 20, TOWNSHIP 8 NORTH, RANGE 91  
WEST, 6TH P.M., IN AN UNNAMED FIELD,  
MANCOS AND NIOBRARA FORMATIONS,  
MOFFAT COUNTY, COLORADO.

Cause No. \_\_\_\_\_

Docket No. \_\_\_\_\_

APPLICATION

COMES NOW AXIA ENERGY, LLC (referred to herein as "Applicant"), by its attorneys, Beatty & Wozniak, P.C., and makes this application to the Oil and Gas Conservation Commission of the State of Colorado ("Commission") for an order to pool all interests within an approximate 2604.68-acre drilling and spacing unit or the development of the Mancos and Niobrara Formations on the following described lands:

Township 8 North, Range 91 West, 6TH P.M.

Section 17: ALL

Section 18: Lots 5-8, E $\frac{1}{2}$ W $\frac{1}{2}$ , E $\frac{1}{2}$ ; a/d/a ALL

Section 19: Lots 5-8, E $\frac{1}{2}$ W $\frac{1}{2}$ , E $\frac{1}{2}$ ; a/d/a ALL

Section 20: ALL

Moffat County, Colorado (the "Application Lands").

In support of its application, Applicant states and alleges as follows:

1. Applicant is a limited liability company duly authorized to conduct business in the State of Colorado, and is a registered operator in good standing with the Commission.
2. Applicant owns leasehold interests in a substantial portion of the Application Lands and will be the operator in the 2604.68-acre unit.
3. Rule 318.a. of the Rules and Regulations of the Oil and Gas Conservation Commission requires that wells drilled in in excess of two thousand five hundred (2,500) feet in depth shall be located not less than six hundred (600) feet from any lease line, and shall be located not less than one thousand two hundred (1,200) feet from any other producible or drilling oil or gas well when drilling to the same source of supply, unless authorized by order of the Commission upon hearing. There are no other specific Commission Orders applicable to the Mancos and Niobrara Formations underlying the Application Lands.
4. Applicant has concurrently filed with this Application a spacing application ("Spacing Application") requesting that the Commission establish an approximate 2604.68-acre drilling and spacing unit for the Application Lands, requesting to drill and complete an appropriate number of wells in order to efficiently and economically recover the oil, gas and associated hydrocarbons from within the unit for the development of the Mancos and Niobrara Formations. Said Spacing Application is scheduled to be heard at the September 19, 2013 Commission Hearing.

5. Applicant, pursuant to Commission Rule 530 and/or the provisions of C.R.S. § 34-60-116 (6) and (7), hereby requests an order pooling all interests, including, but not limited to, any nonconsenting interests, in the Application Lands consisting of the 2604.68-acre drilling and spacing unit for the development of the Mancos and Niobrara Formations, said order to apply to the Bulldog #17-21H-891 Well (API No. Pending) and the Bulldog #17-31H-891 Well ("Wells") and the six subsequent wells drilled in the unit.

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 C.R.S. § 34-60-116(7)(b)(II) are first incurred for the drilling of the Wells, or any of the six subsequent wells drilled in the unit to the Mancos and Niobrara Formations on the Application Lands.

7. Applicant confirms that the nonconsenting parties' interests in the first eight wells drilled and completed in the 2604.68-acre drilling and spacing unit will be subject to the nonconsent penalties set forth in C.R.S. § 34-60-116(7). If Applicant elects to drill more than eight wells, Applicant will notify nonconsenting parties and give them an opportunity to participate pursuant to Rule 530.

8. Applicant certifies that copies of this Application will be served on all persons owning an interest in the mineral estate of the tracts to be pooled within seven (7) days of the date hereof, as required by Rule 507.b(2), and that at least thirty (30) days prior to the hearing on this matter, each such interest owner not already leased or voluntarily pooled will be offered the opportunity to lease, or to participate in the drilling of the wells, and will be provided with the information required by Rule 530. The list of such interested parties is attached hereto as Exhibit A.

9. That in order to prevent waste and to protect correlative rights, all interests in the Application Lands and the 2604.68-acre drilling and spacing unit for the Mancos and Niobrara Formations should be pooled for the orderly development of the formation, including any nonconsenting interests therein.

WHEREFORE, Applicant respectfully requests that this matter be set for hearing in September, 2013, that notice be given as required by law, and that upon such hearing, the Commission enter its order:

A. Pooling all interests in the Application Lands and 2604.68-acre drilling and spacing unit for the development of the Mancos and Niobrara Formations.

B. Providing that the Commission's pooling order is made effective as of the earlier of the date of this Application, or the date that the costs specified in C.R.S. § 34-60-116(7)(b)(II) are first incurred for the drilling of the Wells or any of the six subsequent wells drilled in the unit to the Mancos and Niobrara Formations on the Application Lands.

C. 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 authorized well are pooled by operation of statute, pursuant to C.R.S. § 34-60-116(7), and made subject to the cost recovery provisions thereof with respect to the first eight wells drilled to develop the Mancos and Niobrara Formations in the 2604.68-acre drilling and spacing unit comprising the Application Lands.

D. Providing that the nonconsenting parties' interests in the first eight wells drilled and completed in the 2604.68-acre drilling and spacing unit will be subject to the nonconsent penalties set forth in C.R.S. § 34-60-116(7).

E. For such other findings and orders as the Commission may deem proper or advisable in this matter.

Dated: July \_\_, 2013

Respectfully submitted,

AXIA ENERGY, LLC

By: 

Jamie L. Jost  
Gregory J. Nibert Jr.  
Beatty & Wozniak, P.C.  
Attorneys for Applicant  
216 16<sup>th</sup> Street, Suite 1100  
Denver, Colorado 80202  
(303)407-4499

Applicant's Address:

Axia Energy LLC  
ATTN: Tab McGinley  
1430 Larimer Street, Suite 400  
Denver, Colorado 80202

VERIFICATION

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

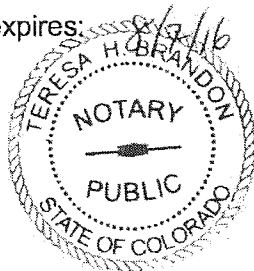
Tab McGinley, Vice President of Land, of Axia Energy, LLC, upon oath deposes and says that he has read the foregoing Application and that the statements contained therein are true to the best of his knowledge, information, and belief.

  
\_\_\_\_\_  
Tab McGinley  
Vice President of Land

Subscribed and sworn to before this 18<sup>th</sup> day of July, 2013.

Witness my hand and official seal.

My commission expires:



[SEAL]

  
\_\_\_\_\_  
Notary Public

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

IN THE MATTER OF THE APPLICATION OF  
AXIA ENERGY, LLC FOR AN ORDER TO POOL  
ALL INTERESTS IN AN APPROXIMATE 2604.68-  
ACRE UNIT LOCATED IN SECTIONS 17, 18, 19  
AND 20, TOWNSHIP 8 NORTH, RANGE 91  
WEST, 6TH P.M., IN AN UNNAMED FIELD,  
MANCOS AND NIOBRARA FORMATIONS,  
MOFFAT COUNTY, COLORADO

Cause No. \_\_\_\_\_

Docket No. \_\_\_\_\_

AFFIDAVIT OF MAILING

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

Gregory J. Nibert, Jr., of lawful age, and being first duly sworn upon his oath, states and declares:

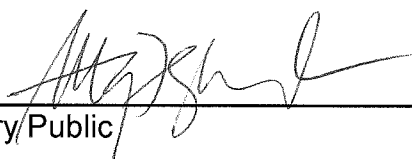
That he is the attorney for Axia Energy, LLC, that on or before July \_\_, 2013, he caused a copy of the attached Application to be deposited in the United States Mail, postage prepaid, addressed to the parties listed on Exhibit A to the Application.

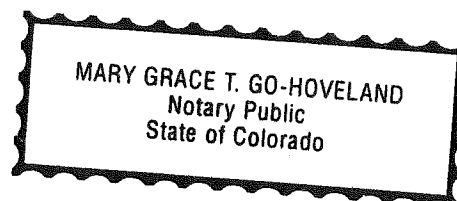
\_\_\_\_\_  
Gregory J. Nibert, Jr.

Subscribed and sworn to before me July 18, 2013.

Witness my hand and official seal.

My commission expires: 3/27/15.

  
Notary Public



## EXHIBIT A

AXIA ENERGY, LLC  
1430 LARIMER STREET, SUITE 400  
DENVER, CO 80202

OXY USA INC.  
5 GREENWAY PLAZA, SUITE 110  
HOUSTON, TEXAS 77046

U.S.A. C/O BUREAU OF LAND MANAGEMENT  
2850 YOUNGFIELD STREET,  
LAKEWOOD, CO 80215

ALEXANDRA BUTLER  
2115 COUNTY ROAD 3  
PO BOX 1304  
CRAIG, CO 81625

ANN W LAMBERT  
3375 CHEROKEE LANE  
PROVO, UT 84601-0000

CARL K. CHAPMAN AND FREDONNE  
CHAPMAN 5730 CO RD 7  
CRAIG, CO 81625

CATHEY FAMILY MINERAL RIGHTS TRUST  
18617 EAST PINE VALLEY DRIVE  
QUEEN CREEK, AZ 85142

DAVID MYRICK JR.  
PO BOX 691425  
SAN ANTONIO, TX 78269

DAVID R OLSEN  
389 ISLE COURT  
PALM BEACH GARDENS, FL 33418

DEAN R WIXOM  
639 PINE ST  
MONTEREY, CA 93940

DEEP CREEK INVESTMENTS, A UTAH  
GENERAL PARTNERSHIP  
2400 SUNNYSIDE AVENUE  
SALT LAKE CITY, UT 84108-0000

DOROTHY L. ROBERTS  
C/O JOYCE ACKER  
305 INDIANA  
WINDSOR, MO 65360

EDGAR L. MCFERRIN, JEWELL E. MCFERRIN  
AND CYNTHIA LOUISE PENAAAT  
22709 E. 291ST STREET  
HARRISONVILLE, MO 64701

ELIZABETH TUTER, C/O LESLIE HANKEY  
747 S. QUADE RD.  
SPRINGFIELD, MO 65802

ESTATE OF DORIS MOBLEY C/O CAROLYN L.  
HAHN (HEIR)  
8421 W 113TH TER  
OVERLAND PARK, KS 66210-2445

ESTATE OF F.E. KIMBALL, C/O NEAL J.  
KIMBALL  
526 QUAILBROOK CT.  
SAN JOSE, CA 95110

ESTATE OF FINIS CATHEY C/O JANE  
BRUNSON  
112 S. CHILTON CRESCENT  
LA GRANGE, GA 30240

ESTATE OF GEORGE CATHEY  
NO ADDRESS ON RECORD

ESTATE OF RAY KIMBALL, C/O STEVE R.  
KIMBALL  
2440 QUAIL RUN DR.  
MEDFORD, OR 97504

EVALYN JANE LINDER  
104 S.E. 51ST STREET  
OKLAHOMA CITY, OK 73129

GARY L WIXOM, TRUSTEE UNDER  
UNRECORDED TRUST AGREEMENT DATED  
06/27/88  
1737 NALULU PLACE  
HONOLULU, HI 96821

H. VALDEN MCFARLAND, VALARIE JO  
MCFARLAND, AND CASEY V. MCFARLAND  
821 RANNEY ST  
CRAIG, CO, 81625

JANET E OLSEN, A SINGLE WOMAN  
1746 N 900 E  
OGDEN, UT 84414-3182

JENCAR, LTD., A UTAH LIMITED PARTNERSHIP  
1777 SOUTH 2600 EAST  
SALT LAKE CITY, UT 84108-0000

JOANN ROBINSON  
5585 MT. ZION ROAD  
EDGERTON, MO 64444

JOYCE LEE ACKER  
305 INDIANA  
WINDSOR, MO 65360

KATHERINE ANN WILD, HEIR OF RONALD M.  
WILD  
1223 N. 4TH ST., APT G  
CHILLICOTHE, IL 61523

KATHLEEN M. (MCDONALD) NICKS  
5019 S. L STREET  
TACOMA, WA 98408

KENT S OLSEN  
7065 S PENROSE COURT  
LITTLETON, CO 80122-0000

LAVERNE F. MCFARLAND AND BARBARA  
MCFARLAND, AS JT  
PO BOX 896  
CRAIG, CO 81626-0896

MARJORIE A. WILD, HEIR OF RONALD M.  
WILD  
PO BOX 2408  
HELENDAL, CA 92342

MARK D. MCDONALD  
4208 CABELL DR., UNIT 532  
DALLAS, TX 75204

MARY ELLEN THOMAS,  
HEIR OF RONALD M. WILD  
13138 CAMINITO MENDIOLA  
SAN DIEGO, CA 92130

MCCULLISS OIL AND GAS INC  
PO BOX 221515  
DENVER, CO 80222

MCMURRAY INVESTMENT COMPANY  
5335 ROSELEAF DRIVE  
MURRAY, UT 84123

MICHAEL D. MCDONALD  
6420 PIERCE ST.  
ARVADA, CO 80003

MICHELLE S LAVIN  
14631 MINOSA LANE  
TUSTIN, CA 92680-0000

MUSEUM OF NORTHWEST COLORADO  
590 YAMPA AVENUE  
CRAIG, CO 81625

NORMAN SHEYA  
361 BAY VIEW TERRACE  
COSTA MESA, CA 92627-1482

PAUL L. MCCULLISS  
PO BOX 221515  
DENVER, CO 80222

PAULE S. HEWLETT  
1736 NICHOLSON  
HOUSTON, TX 77008

PIERRE & KAYE JOHNSON, CO-TRUSTEES  
OF THE PIERRE AND  
KAYE JOHNSON FAMILY TRUST  
160 COUNTY ROAD 78  
CRAIG, CO 81625

SANDRA H. WILD, WIDOW OF RICHARD H.  
WILD  
23100 E. MARIPOSA RD.  
ESCALON, CA 95320

SMITH MINERALS, LTD., A COLORADO  
LIMITED PARTNERSHIP  
119 MARSHALL JOHNSON AVE S  
PORT LAVACA, TX 77979

STEWART FAMILY TRUST DTD 09/28/06  
2405 ST MARYS DRIVE  
SALT LAKE CITY, UT 84108

TATE MYRICK  
PO BOX 691425  
SAN ANTONIO, TX 78269

THE ESTATE OF BESSIE P. WATERS  
C/O RON ANDREW  
587 SERANDE ST.  
GRAND JUNCTION, CO 81504

COBANK, FCB FKA FARM CREDIT BANK OF  
WITCHITA  
PO BOX 2940  
WICHITA, KS 67201-2940

WILBUR DALE WRIGHT  
408 ELM ST.  
LINCOLN, MO 65338

WILBUR DALE WRIGHT  
408 ELM ST.,  
LINCOLN, MO 65338