

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

IN THE MATTER OF AN APPLICATION BY PETROX)	
RESOURCES, INC., FOR AN ORDER AUTHORIZING THE)	CAUSE NO. 527
DRILLING OF AN ADDITIONAL HORIZONTAL WELL, FOR)	
A TOTAL OF TWO WELLS, FOR THE APPROXIMATE 320-)	DOCKET NO. 1412-AW-30
ACRE DRILLING AND SPACING UNIT ESTABLISHED FOR)	
THE N½ OF SECTION 21, TOWNSHIP 33 NORTH, RANGE 5)	
WEST, N.M.P.M., FOR PRODUCTION FROM THE)	
FRUITLAND COAL SEAMS FORMATION, IGNACIO-)	
BLANCO FIELD, ARCHULETA COUNTY, COLORADO)	

AMENDED APPLICATION

Petrox Resources, Inc. ("Petrox" 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 authorizing the drilling of an additional horizontal well, for a total of two wells, within the approximate 320-acre drilling and spacing unit established for the N½ of Section 21, Township 33 North, Range 5 West, N.M.P.M., for the production of gas and associated hydrocarbons from the Fruitland coal seams Formation. In support of its Amended Application, Applicant states and alleges as follows:

1. Applicant is a corporation duly authorized to conduct business in the State of Colorado, and has registered as an operator with the Commission.

2. Applicant owns substantial leasehold interests in the below-listed lands:

Township 33 North, Range 5 West, N.M.P.M.
Section 21: N½

Archuleta County, Colorado

These lands comprise approximately 320 acres as depicted in the attached Exhibit A, and are hereinafter referred to as the "Application Lands."

3. On June 17, 1988, the Commission issued Order No. 112-60 (reiterated on August 15, 1988, under Order No. 112-61 and on December 17, 1990, under Order No. 112-85) which, among other things, established 320-acre drilling and spacing units for certain lands, including the Application Lands, as designated lay-down or standup by the operator, with authority to drill one well no closer than **990** feet from unit boundary and no closer than 130 feet from any interior quarter section line, for the production of gas and associated hydrocarbons from the Fruitland coal seams Formation.

4. Applicant requests the Commission authorize the drilling of an additional horizontal well, for a total of two (2) wells, for the Application Lands, for the production of gas and associated hydrocarbons from the Fruitland coal seams Formations, as two wells are necessary to economically and efficiently recover resources, increase the ultimate recovery of the reserves, prevent waste, while protecting correlative rights.

5. Applicant states that, for the permitted well to be drilled under this Amended Application, the productive intervals of the wellbore should be not less than 600 feet from the eastern, western and southern unit boundaries (while maintaining **990** foot setbacks from the northern unit boundary) with an inter-well setback of not less than 300 feet from the productive interval of a well producing from the Fruitland coal seam Formation, without exception being granted by the Director.

6. The granting of this Amended 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.

7. Applicant requests that relief granted under this Amended Application should be effective on oral order by the Commission, and Applicant hereby agrees to being bound by said oral order.

8. That the names and addresses of the interested parties (owners within the N½ of Section 21, Township 33 North, Range 5 West, N.M.P.M., and those owners of cornering and contiguous tracts who may be affected by the reduced setback request) according to the information and belief of the Applicant are set forth in Exhibit B attached hereto. The Applicant shall submit a certificate of service for the Amended Application within the seven days 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 this Commission enter its order:

A. Authorizing the drilling of an additional well, for a total of two wells, within the approximate 320-acre drilling and spacing unit established for the N½ of Section 21, Township 33 North, Range 5 West, N.M.P.M., for the production of gas and associated hydrocarbons from the Fruitland coal seams Formation, with the productive intervals of the wellbore located no closer than 600 feet from the eastern, western and southern unit boundaries (while maintaining **990** foot setbacks from the northern unit boundary) and an inter-well setback of not less than 300 feet from the productive interval of a well producing from the Fruitland coal seam Formation, without exception being granted by the Director.

B. Providing that relief granted under this Amended Application be effective on oral order by the Commission, relying on the Applicant's desire to be bound by said oral order.

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

DATED this 18th day of November, 2014.

Respectfully submitted,

PETROX RESOURCES, INC.

By: 

Robert A. Willis (Colorado Bar No. 26308)

Jillian Fulcher (Colorado Bar No. 45010)

Beatty & Wozniak, P.C.

Attorneys for Applicant

216 16th Street, Suite 1100

Denver, Colorado 80202

Applicant's Address:

Petrox Resources, Inc.

P.O. Box 2600

Meeker, CO 81641

VERIFICATION

STATE OF OKLAHOMA

)

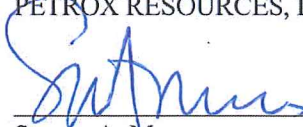
) ss.

COUNTY OF OKLAHOMA

)

Steven A. Muns, Landman for Petrox Resources, Inc., upon oath deposes and says that he has read the foregoing Amended Application and that the statements contained therein are true to the best of his knowledge, information and belief.

PETROX RESOURCES, INC.

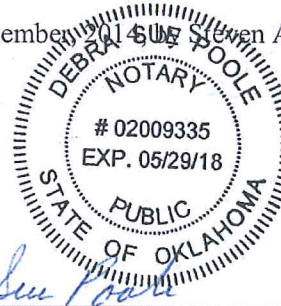


Steven A. Muns

Subscribed and sworn to before me this 17th day of November, 2014, at Lawton, Oklahoma Steven A. Muns, Landman for Petrox Resources, Inc.

Witness my hand and official seal.

My commission expires: MAY 29, 2018



Notary Public

DEBRA SUE POOLE

Application lands -



Sec. 21, T33N, R5W
Archuleta County

Exhibit A
Application Map

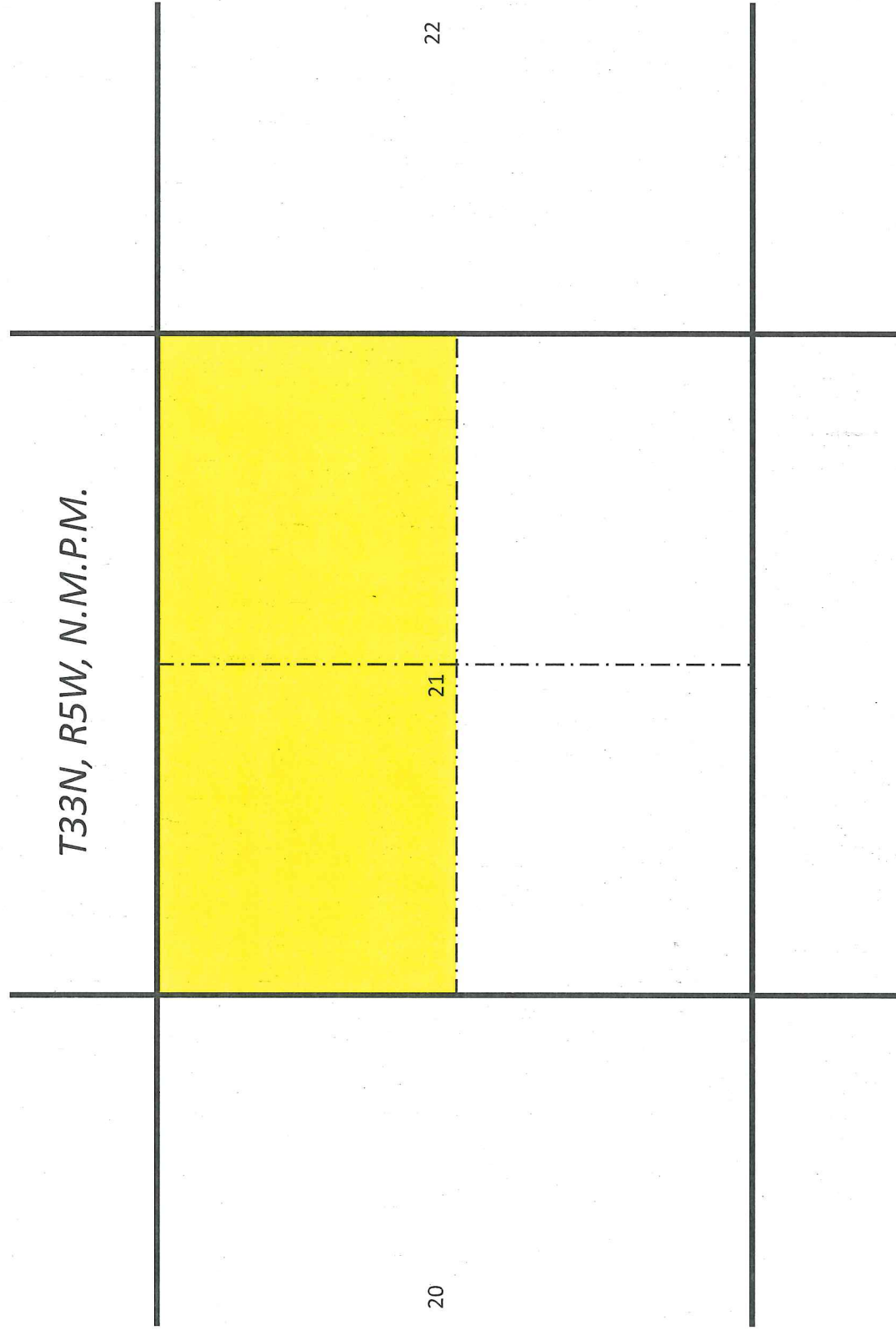


EXHIBIT B

INTERESTED PARTIES

The names and addresses of the interested parties (owners within the N½ of Section 21, Township 33 North, Range 5 West, N.M.P.M., and those owners of cornering and contiguous tracts who may be affected by the reduced setback request) according to the information and belief of the Applicant are set forth in this Exhibit B.

Petrox Resources, Inc.
P.O. Box 2600
Meeker, CO 81641

Robert A. Willis
Beatty & Wozniak, P.C.
216 16th St., Suite 1100
Denver, CO 80202

Kent Kuster
Oil & Gas Consultant Coordinator
Colorado Department of
Public Health & Environment
4300 Cherry Creek Drive South
Denver, CO 80246-1530

Tom Schreiner, Energy Liaison
Colorado Parks and Wildlife
Northeast Region Office
6060 Broadway
Denver, CO 80216

Bentley Henderson
Archuleta County LGD
449 San Juan Street
Pagosa Springs, CO 81147

Southern Ute Indian Tribe
Department of Energy
P.O. Box 1500
Ignacio, CO 81137

Red Willow Production Co.
P.O. Box 369
Ignacio, CO 81137

EXOK, Inc.
6410 North Santa Fe
Oklahoma City, OK 73116

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AFFIDAVIT OF MAILING

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

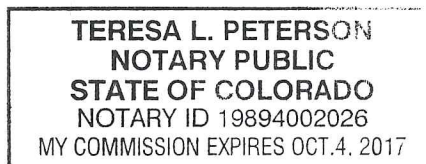
Jennifer Pittenger, of lawful age, and being first duly sworn upon her oath, states and declares:

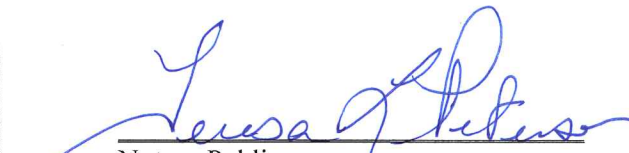
That she is a Legal Assistant for Beatty & Wozniak P.C. the attorneys for Petrox Resources, Inc., that on or before November 21, 2014, she caused a copy of the attached Amended Application to be deposited in the United States Mail, postage prepaid, addressed to the parties listed on Exhibit B to the Amended Application.


Jennifer Pittenger

Subscribed and sworn to before me November 19, 2014.

Witness my hand and official seal.




Notary Public