

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

IN THE MATTER OF THE APPLICATION OF AXIA)
ENERGY, LLC FOR AN ORDER POOLING ALL)
INTERESTS IN THE MANCOS AND NIOBRARA)
FORMATIONS IN A 1272.61 ACRE EXPLORATORY)
DRILLING AND SPACING UNIT LOCATED IN)
MOFFAT COUNTY, COLORADO.)

Cause No. _____

Docket No. _____

APPLICATION

COMES NOW AXIA ENERGY, LLC (referred to herein as "Applicant"), by and through its undersigned attorneys, and makes application to the Colorado Oil and Gas Conservation Commission ("Commission"), for an order to pool all interests within a 1272.61 acre exploratory drilling and spacing unit for the drilling of the initial well, the Bulldog 7-14H-789 well ("Well"), to produce from the Mancos and Niobrara Formations located on the following lands:

Township 7 North, Range 89 West, 6th P.M.

Section 6: Lots 8-23; a/d/a ALL

Section 7: Lots 5-20; a/d/a ALL

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

In support thereof, the Applicant states and alleges as follows:

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.

3. Currently, the Application Lands are subject to Commission Rule 318.a. which provides that a well to be drilled 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. The Application Lands, however, are subject to a 1272.61 exploratory drilling and spacing unit application filed by Applicant concurrently with this Application.

4. Applicant, pursuant to the provisions of C.R.S. § 34-60-116 (6) & (7) and Commission Rule 530, seeks an order pooling all interests, including, but not limited to, any nonconsenting interests, in the Application Lands consisting of the 1272.61 acre drilling and spacing unit for the development of the Mancos and Niobrara Formations, said order to apply to the currently-proposed Well and any subsequent well drilled in the unit.

5. 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 Well to the Mancos and Niobrara Formations on the Application Lands.

6. 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 well, and will be provided with the information required by Rule 530. The list of such interested parties is attached hereto as Exhibit A.

7. That in order to prevent waste and to protect correlative rights, all interests in the Application Lands and the 1272.61 acre exploratory 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 requests that this matter be set for hearing at the next available opportunity, 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 1272.61 acre exploratory drilling and spacing unit for the development of the Mancos and Niobrara Formations, including the currently-proposed Well and all subsequent wells.

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 Well 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 all wells drilled to develop the Mancos and Niobrara Formations in the 1272.61 acre drilling and spacing unit comprising the Application Lands.

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

WHEREFORE, Applicant respectfully requests that this matter be set for hearing in May, 2012, notice be given as required by law, and that upon such hearing, the Commission enter its order consistent with Applicant's request as set forth above.

Dated: March ____, 2012

Respectfully submitted,

AXIA ENERGY, LLC

By: _____

Jamie L. Jost
Dante E. Tomassoni
Beatty & Wozniak, P.C.
Attorneys for Applicant
216 16th Street, Suite 1100
Denver, Colorado 80202

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 ____ day of March, 2012.

Witness my hand and official seal.

My commission expires:

Notary Public

[SEAL]

EXHIBIT A
INTERESTED PARTIES

Axia Energy, LLC
Attn: Tab McGinley
1430 Larimer Street, Suite 400
Denver, CO 80202

OXY USA Inc.
Attn: Kent Woolley
5 Greenway Plaza, Suite 110
Houston, Texas 77046

SWEPI LP
Attention: Jane Harris
P.O. Box 576
Houston, TX 77001

Next Energy, LLC
Attention: Jack Overstreet
4600 South Ulster Street, Suite 1225
Denver, CO 80237

Douglas E. Davis & Patricia
195 W. Johnson Loop
Craig, CO 81625

Wayne M. Wymore, Patricia A. Wymore,
Richard C. Hall, and Kaye L. Hall
1618 County Road 78
Craig, CO 81625

Dorothy G. Bunner, Trustee of the
Dorothy G. Bunner Family Trust
9 Lazo Place
Hot Springs, AR 71909

Wayne M. Wymore, Patricia A. Wymore,
Jay L. Wymore, and Lois G. Wymore
1618 County Road 78
Craig, CO 81625

Tyler E. and Alicia A. Wietholter
101 Water Street
Enola, PA 17025

Ivan Wymore
1515 W. 28Th St., Apt. 424
Loveland, CO 80538

Eileen Hoth
1007 10th Street
Wheatland, WY 82001

Jay W. Jones c/o Janine Sherwood
119 North 1100 West
Clearfield, UT 84015

Lillian M. McAnally
2862 C Road
Grand Junction, CO 81503

Barbara Payton
1660 West Mexico Ave.
Denver, CO 80223

James L. McAnally
479 Box Canyon Road
Craig, CO 81625-9610

Clifton B. and Lois H. Hayes
2038 Vermont Street NE
Albuquerque, NM 87110

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P.O. Box 12588
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Mountain Home, AR 72653

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Ogden, UT 84403

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143 Currituck Road
Newtown, CT 06490

James L. Cooper
7654 County Road #41
Hamilton, CO 81638

Timothy L. & Michelle A. Byerley
1911 East Highview Street
Ozark, MO 65721

Dale Cope
250 W. 14Th Ave.
Denver, Co 80204

Q. Dean Brosious Revocable Trust and
Mariane Brosious Revocable Trust
876 School Street
Craig, CO 81625

Stacy L. Geabes
512 Eugene Street
Alton, IL 62002-4226

Loyd E. McAnally
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Jerseyville, IL 62052

Susan Corkern
2425 Viking Drive
Independence, MO 64057

Valorie G. Lawson
3430 South Western Way
Tucson, AZ 85735

Bob Goorman
19127 E. Dickerson Drive
Aurora, CO 80013

Duane Clow
1384 Paddle Court
Fort Collins, CO 80521

Joan C. Myer
8183 Hudson Drive
San Diego, CA 82119

LaVerne C. Monteith
1208 Moore Avenue
Roswell, NM 88201

Pierre & Kaye Johnson, Co-Trustees of
the Pierre and Kaye Johnson Family
Trust
160 County Road 78
Craig, CO 81625

County of Moffat
221 W. Victory Way, Suite 130
Craig, CO 81625

ACEE BCEE, A Wyoming Corp.
6320 E. 4th Ave.
Denver, CO 80220

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AFFIDAVIT OF MAILING

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

Jamie L. Jost, of lawful age, and being first duly sworn upon her oath, states and declares:

That she is the attorney for Axia Energy, LLC, that on or before April __, 2012, she 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.

Jamie L. Jost

Subscribed and sworn to before me March __, 2012.

Witness my hand and official seal.

My commission expires: _____.

Notary Public