

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

IN THE MATTER OF THE **AMENDED**
APPLICATION OF AXIA ENERGY, LLC FOR
AN ORDER ESTABLISHING AN
APPROXIMATE 2463.28-ACRE UNIT IN
SECTIONS 23, 24, 25, 26 AND 36
TOWNSHIP 8 NORTH, RANGE 92 WEST
AND SECTION 31, TOWNSHIP 8 NORTH,
RANGE 91 WEST, 6TH P.M., IN AN
UNNAMED FIELD, MANCOS AND
NIOBRARA FORMATIONS, MOFFAT
COUNTY, COLORADO

CAUSE NO. _____

DOCKET NO. _____

AMENDED APPLICATION

Axia Energy, LLC ("Applicant"), by and through its attorneys, Beatty & Wozniak, P.C., respectfully submits this **Amended** Application to the Colorado Oil and Gas Conservation Commission ("Commission"), pursuant to C.R.S. § 34-60-116(2), for an order establishing an 2463.28-acre unit for the production of oil, gas, and associated hydrocarbons from the Mancos and Niobrara Formations covering certain described lands in Moffat County, Colorado and in support of its **Amended** Application, Applicant states and alleges as follows:

1. Applicant is a limited liability company duly authorized to conduct business in the State of Colorado.
2. Applicant holds certain leasehold interests in the lands described below and will be the operator in the proposed unit:

Township 8 North, Range 92 West, 6TH P.M.

Section 23: SE $\frac{1}{4}$ NW $\frac{1}{4}$, E $\frac{1}{2}$ SW $\frac{1}{4}$, E $\frac{1}{2}$

Section 24: W $\frac{1}{2}$, NW $\frac{1}{4}$ NE $\frac{1}{4}$, S $\frac{1}{2}$ SE $\frac{1}{4}$

Section 25: Lots 1-5, N $\frac{1}{2}$ N $\frac{1}{2}$, SW $\frac{1}{4}$ NW $\frac{1}{4}$; a/d/a ALL

Section 26: W $\frac{1}{2}$, NE $\frac{1}{4}$, W $\frac{1}{2}$ SE $\frac{1}{4}$, **NE $\frac{1}{4}$ SE $\frac{1}{4}$**

Section 36: Lots 1,5; a/d/a N $\frac{1}{2}$

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

Section 31: Lots 8,9,14,15; a/d/a W $\frac{1}{8}$ W $\frac{1}{2}$

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

A reference map of the Application Lands is attached hereto.

3. 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. There are no specific Commission Orders applicable to the Mancos and Niobrara Formations underlying the Application Lands.

4. The Mancos and Niobrara Formations in this area are defined as the stratigraphic equivalent of the interval between 8,060 feet and 11,934 feet as found in the Bulldog #20-12H-892 Well located in the SW/4NW/4 of Section 20, Township 8 North, Range 92 West, 6th P.M., Moffat County, Colorado. The Mancos and Niobrara Formations are a common source of supply underlying the Application Lands.

5. To promote efficient drainage within the Mancos and Niobrara Formations of the Application Lands, to protect correlative rights and to avoid waste, the Commission should establish a unit of approximately 2463.28-acres for the Application Lands.

6. No wells have been drilled and completed to the Mancos and Niobrara Formations on the Application Lands, or on lands in close proximity to the Application Lands.

7. That the above-proposed unit will allow efficient drainage of the Mancos and Niobrara Formations; will prevent waste; will not adversely affect correlative rights and will assure the greatest ultimate recovery of gas and associated hydrocarbon substances from the reservoirs. The unit of the size and shape specified above is not smaller than the maximum area that can be economically and efficiently drained by the proposed well in each such unit.

8. That the Applicant is requesting to drill and complete the appropriate number of wells in order to efficiently and economically recover the oil, gas and associated hydrocarbons from the 2463.28-acre unit. The Applicant states that each proposed horizontal well shall be located on the surface anywhere within the unit, or on adjacent lands, with the treated interval of any horizontal well to be no closer than 600' from the boundaries of the 2463.28-acre unit. The Applicant further maintains that the proposed horizontal wells will have no adverse effect on correlative rights of adjacent owners.

9. That the names and addresses of the interested parties according to the information and belief of the Applicant are set forth in Exhibit A attached hereto and made a part hereof, and the undersigned certifies that copies of this **Amended** Application shall be served on each interested party within the next 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 consistent with Applicant's proposals as set forth above.

Dated this 30th day of January, 2013.

Respectfully submitted,

AXIA ENERGY, LLC

By: Jamie L. Jost

Jamie L. Jost

Gregory J. Nibert Jr.

Beatty & Wozniak, P.C.

Attorneys for Applicant

216 16th Street, Suite 1100

Denver, Colorado 80202

(303)407-4499

Applicant's Address:

Axia Energy LLC

ATTN: Tab McGinley

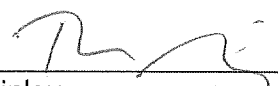
1430 Larimer Street, Suite 400

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 **Amended** Application and that the statements contained therein are true to the best of his knowledge, information, and belief.



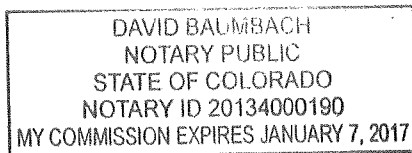
Tab McGinley
Vice President of Land


Subscribed and sworn to before this 30th day of January, 2013.

Witness my hand and official seal.

My commission expires:

[SEAL]





Notary Public

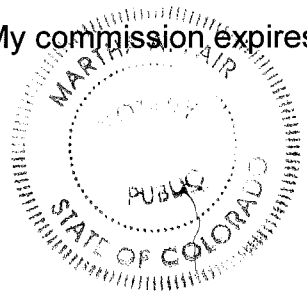
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STATE OF COLORADO)
)ss.
CITY AND COUNTY OF DENVER)

That she is the attorney for Axia Energy, LLC, that on or before February 8, 2013, 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 A to the **Amended** Application.

My commission expires: April 16, 2016



Martha A. Lutz
Notary Public

EXHIBIT A

AXIA ENERGY, LLC
ATTN: TAB MCGINLEY
1430 LARIMER STREET, SUITE 400
DENVER, CO 80202

GLENN H. BRACKEN
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DALLAS, TX, 75219

OXY USA INC.
ATTN: KENT WOOLLEY
5 GREENWAY PLAZA, SUITE 110
HOUSTON, TEXAS 77046

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RHODA S. BRACKEN, TR.
3420 BLACKBURN
DALLAS, TX, 75219

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400 E. BROADWAY AVE., SUITE 414
BISMARCK, ND 58501

GRANT FLENKER, JR.
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COUNCIL BLUFFS, IA 57501

ALLEN & KIRMSE, LTD
209 5TH ST.
LAFAYETTE, LOUISIANA, LA 70501

IDA BRACKEN LEWIS TRUST, J.A. & R.S.
BRACKEN TRUSTEES
P.O. BOX 180
TYLER, TX 75710

A.D. GENECOV
PO BOX 132450,
TYLER, TX, 75713-2450

J. PAUL PRICE C/O BRACKEN OIL CO.
P.O. BOX 334087
SAN ANTONIO, TX 78625-4087

ADDIE BRACKEN PRICE
C/O BRACKEN OIL CO
PO BOX 130129, TYLER, TX, 75713-012

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DALLAS, TX 75243

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ST. GEORGE, UT 84790

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DENVER, CO, 80201-3557

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5033 CASTLEMAN ST
PITTSBURGH, PA, 15232

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SAN FRANCISCO, CA 94117

NOTTINGHAM LAND & LIVESTOCK
PO BOX 969
CRAIG, CO, 81626-0969

RESOURCE MANAGEMENT CO.
782 E. LOGAN, AVE.
SALT LAKE CITY, UT 84105

ROSS OIL COMPANY
1012 FIRST PLACE
TYLER, TX, 74702-0000

REX ROSS WALKER
911 KIMBARK ST.
LONGMONT, CO 80501

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GRANBURY, TX, 76049

SAM T. BRACKEN
C/O NANCY BRACKEN WALDEN,
POB 8029, TYLER, TX, 75711-8029

SAM T. BRACKEN TRUST
C/O NANCY BRACKEN WALDEN,
POB 8029, TYLER, TX, 75711-8029

TAX FREE STRATEGIES, LLC
C/O KEITH OWENS
12853 BANYAN CREEK DRIVE
FORT MYERS, FL 33908

THE BOARD OF COUNTY COMMISSIONERS
OF MOFFAT COUNTY, STATE OF
COLORADO
221 W. VICTORY WAY
CRAIG, CO 81625

THE JOHN N. CLAWSON FAMILY
PARTNERSHIP
PO BOX 29585
SAN FRANCISCO, CA, 94129-0585

THE RUDMAN PARTNERSHIP, LTD
4700 FIRST CITY CENTER,
1700J PACIFIC AVE, DALLAS, TX 75201-4670

THE SATER FAMILY PARTNERSHIP, LP
C/O RONALD SATER
P.O. BOX 2509
EVANSVILLE, IN 47728-0509

THE SKEETERS COMPANY
3708 CANYON PASS TRAIL
BURLESON, TX 76083

TRACY WINDER
BOX 276, CRAIG
CO, 81626-0000

VAUGHEY & VAUGHEY
PO BOX 14006
JACKSON, MS 39236

LITTLE SNAKE FIELD OFFICE
BUREAU OF LAND MANAGEMENT
ATTENTION: MARTY O'MARA
455 EMERSON STREET
CRAIG, COLORADO 81625

JEFF COMSTOCK
MOFFAT COUNTY
221 W VICTOR WAY, SUITE 130
CRAIG, CO 81625

KENT KUSTER
COLORADO DEPARTMENT OF
PUBLIC HEALTH & ENVIRONMENT
4300 CHERRY CREEK DRIVE SOUTH
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ENERGY LIAISON
COLORADO PARKS AND WILDLIFE
NORTHWEST REGIONAL OFFICE
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