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

IN TH	E MATTE	R OF	THE A	APPL	ICATION	NC	OF
	ENERGY,						
POOL	ALL	IN	TERES	STS	IN		ΑN
APPR	OXIMATE		2608.8	-ACF	RE	UI	TIV
LOCA	TED IN SE	ECTIO	NS 2,	3, 10	, 11, 1	4 A	ND
	WNSHIP '						
6TH F	P.M., IN AN	I UNN	AMED	FIEL	.D, MA	NC	os
AND	NIOBRAF	RA FO	ORMA [*]	TION	S, M	OFF	AT
COUN	ITY, COLO)RAD(Э.				

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 2608.8-acre unit Mancos and Niobrara Formations located on the following lands:

Township 7 North, Range 91 West, 6th P.M.,

Section 2: Lots 13-14, 17-20; a/d/a S½SW¼, SE¼

Section 3: Lots 7-20; a/d/a W½, S½NE¼, SE¼

Section 10: Lots 1-16; a/d/a ALL Section 11: Lots 1-16; a/d/a ALL Section 14: Lots 1-8; a/d/a N½

Section 15: Lots 1-4; a/d/a N½N½

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 2608.8-acre unit.
- 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 2608.8- acre 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 2613.44-acre unit for the development of the Mancos and Niobrara Formations, said order to apply to the Bulldog 10-24H-890 Well ("Well") and any subsequent wells 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, or any subsequent well drilled in the unit 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 2613.44-acre 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 2613.44-acre 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 Well or any subsequent well 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 all wells drilled to develop the Mancos and Niobrara Formations in the 2613.44 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 March, 2013, 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: January <u>J</u>, 2013

Respectfully submitted,

AXIA ENERGY, LLC

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

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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 $23^{\ell 0}$ day of January, 2013.

Witness my hand and official seal.

My commission expires:

[SEAL]

OF COL

Marci A - Www.s.fom. 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 2613.44-ACRE EXPLORATORY DRILLING AND SPACING UNIT LOCATED IN SECTIONS 2, 3, 10, 11, 14 AND 15 TOWNSHIP 7 NORTH, RANGE 91 WEST, 6TH P.M., IN AN UNNAMED FIELD, MANCOS AND NIOBRARA FORMATIONS, MOFFAT COUNTY, COLORADO.	Cause No
AFFIDAVIT OF	MAILING
STATE OF COLORADO)	
)ss. CITY AND COUNTY OF DENVER)	
Jamie L. Jost, of lawful age, and being f declares:	irst duly sworn upon her oath, states and
That she is the attorney for Axia Ener 2013, she caused a copy of the attached Ap States Mail, postage prepaid, addressed to Application.	
Subscribed and sworn to before me January Witness my hand and official seal. My contraission expires: 10 - 0 4 - 1	, —
	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 2608.8-ACRE EXPLORATORY DRILLING AND SPACING UNIT LOCATED IN SECTIONS 2, 3, 10, 11, 14 AND 15 TOWNSHIP 7 NORTH, RANGE 91 WEST, 6TH P.M., IN AN UNNAMED FIELD, MANCOS AND NIOBRARA FORMATIONS, MOFFAT COUNTY, COLORADO.	Cause No
AFFIDAVIT OF	MAILING
STATE OF COLORADO)	
)ss. CITY AND COUNTY OF DENVER)	
Jamie L. Jost, of lawful age, and being f declares:	irst duly sworn upon her oath, states and
That she is the attorney for Axia Energian 2013, she caused a copy of the attached Ap States Mail, postage prepaid, addressed to Application.	
Subscribed and sworn to before me Jan	uary <u>3</u>], 2013.
Witness my hand and official seal.	
My commission expires: 1113 2016	<u>. </u>
TANYA S. COHEN NOTARY PUBLIC STATE OF COLORADO NOTARY ID 20084038573 MY COMMISSION EXPIRES NOV. 13, 2016	Notary Rublic

EXHIBIT A

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

OXY USA INC. ATTN: KATHLEEN BONI 5 GREENWAY PLAZA, SUITE 110 HOUSTON, TEXAS 77046

QUICKSILVER RESOURCES, INC. ATTENTION: CLAY BLUM 801 CHERRY STREET, STE. 3700 FORT WORTH, TEXAS 76102

PETRO-HUNT LLC 400 E. BROADWAY AVE., SUITE 414 BISMARCK, ND 58501

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

RALPH TARANGO 518 TRENTON CT., RAWLINS,WY 82301

BARBARA BOERSMA C/O JAMES M. STODDARD 509 YAMPA AVE CRAIG, CO 81625

CHARLES A. STODDARD, JR. PO BOX 338 CRAIG CO. 81625

CONSTANCE HANKS 4439 CLARK STREET LONG BEACH, CA 90808 COUNTS FAMILY IRREVOCABLE TRUST C/O CHARLES COUNT PO BOX 307 CRAIG, CO, 81626-0307

DENNIS STODDARD 509 YAMPA AVE. CRAIG, CO 81625

FRANKLIN LEE COUNTS 777 S RANNEY ST CRAIG, CO, 81625

JAMES M. STODDARD 509 YAMPA AVE. CRAIG, CO 81625

JEFFREY A. STODDARD 7135 HORSESHOE RD COLORADO SPINGS, CO 80922

JOSEPH E. STODDARD, JR. 808 STEELE STREET CRAIG, CO 81625

JOYCE STODDARD 422 1/2 PROSPECTOR PLACE #2, GRAND JUNCITON, CO 81503

KRISTINE DRIBER 509 YAMPA AVE. CRAIG, CO 81625

RANDAL ERNEST JOSEPH ST. LOUIS 5704 DOVE DRIVE, PACE FL 32571

RICHARD M. PADON 4934 ARAPAHO TRAIL BILINGS, MT 59106 DEAN R WIXOM 639 PINE STREET MONTEREY, CA 93940

SMITH RANCHO LAND & LIVESTOCK, LLC PO BOX 215 CRAIG, CO, 81626-0215 DEEP CREEK INVESTMENTS, A UTAH GENERAL PARTNERSHIP 2400 SUNNYSIDE AVENUE SALT LAKE CITY, UT 84108

VERLIE ST. LOUIS VAN TASSEL 96525 EAST HIGHWAY 40 CRAIG, CO 81625 DONALD E. WRIGHT 7239 LOWELL DRIVE OVERLAND PARK, KS 66204

CO BANK FCB 245 N. WACO ST. WICHITA, KS 67202 EARL E. & BEULAH CARMEN KLINE PO BOX 512 CRAIG, CO 81625

DAHLBERG FAMILY LIVING TRUST DATED 6/11/1996 26240 SUMMER GREENS DR. BONITA SPRINGS, FL 34135 ESTATE OF JOHN H. STEHLE ESTATE OF JANET V. STEHLE (TIC) C/O TOM SHARP C/O TOM SHARP, 3952 SEQUINN DR BAY CITY, MI, 48706-0000

DALE RENFRO 417 LUCIEN STREET BOX 216, ONAGA KS 66521 FERN J PIERCE 16624 E RICE CIRCLE AURORA, CO 80015

DAVID FRANCIS KLINE 20 OLD ROCKHOUSE ROAD GREENVILLE, SC 29609 GARY L WIXOM, TRUSTEE UNDER UNRECORDED TRUST AGREEMENT DATED 06/27/88 1737 NALULU PLACE HONOLULU, HI 96821

DAVID R OLSEN 389 ISLE COURT PALM BEACH GARDEN, FL 33418 GUSTIN PROPERTIES, LLC 1396 SOUTH MAIN STEET NIXA, MO 65714

DAVID WARREN 12000 OVERBROOK ROAD LEAWOOD, KS 66209 JANET E OLSEN 1746 NORTH 900 EAST NORTH OGDEN, UT 84414 JANINE MARIE STEHLE-DOEHLING & MARK CHARLES DOEHLING 3995 COUNTY ROAD 105 CRAIG, CO 81625 L. JEANNE LOUCKS 880 MARBLE STREET BROOMFIELD, CO 80020

JENCAR, LTD., A UTAH LIMITED PATNERSHIP 1777 SOUTH 2600 EAST SALT LAKE CITY, UT 84108 L. PIERRE JOHNSON AND MARY KAY JONHSON A/K/A MARY JOHNSON 160 COUNTY ROAD 78 CRAIG, CO 81625

JESSIE EASTERLY C/O RUTH RICKERBY 813 LINCOLN COURT PALISADE, CO 81526 MARCIA ELAINE RENFRO STITHEM 16675 142ND ROAD HOYTM KS 66440

JILL KELLUM PO BOX 928 MOUNTAIN VIEW, WY 82939 MARTIN SIMS 8251 SW 107TH AVE. #B MIAMI, FL 33173

JOE D. PASIA AND MARY A. PASIA 3636 NE KINCAID TOPEKA, KS 66617 MCMURRAY INVESTMENT COMPANY 5335 ROSELEAF DRIVE MURRAY, UT 84123

JON AND MARY THOMPSON 2810 OLD BROADMOOR ROAD COLORADO SPRINGS, CO 80906 MERTON H. CHAMBERLIN & ANNA FLORENCE CHAMBERLIN TRUST 219 SOUTH 750 EAST, BOUNTIFUL, UT 84010

JOYC ANN RENFRO HOPKINS P.O. BOX 60229 CHEYENNE STREET NEW STAWN, KS 66839 MICHELLE S LAVIN 14631 MIMOSA LANE TUSTIN, CA 92780

JUDITH P. TIPTON TRUST, TRUSTEE OF THE JUDITH P. TIPTON TRUST, DATED 10/14/2002 17387 E 1090 ROAD SWEETWATER, OK 73666 NORMAN SHEYA 361 BAY VIEW TERRACE COSTA MESA, CA 92627

KENT S OLSEN 7065 SOUTH PENROSE COURT LITTLETON, CO 80122 OLIVE JEAN SMITH 2331 JEFFCOAT DRIVE CRAIG, CO 81626 PAULE S. HEWLETT 1736 NICHOLSON STREET HOUSTON, TX 77008

RANDELL B. & LUANN KLINE PO BOX 512 CRAIG, CO 81625

RICHARD G AMENT 2647 MEADOWBROOK CIRCLE SIERRA VISTA, AZ, 85650

ROCKIE ROGERS KEPHART 4375 CENTENNIAL BLVD. COLORADO SPRINGS, CO 80919

RODNEY UPDIKE 2771-1/2 LAGUNA DRIVE GRAND JUNCTION, CO 81503

ROGER SIMS 3024 HIGH POINT STREET WICHITA, KS 67205

ROGER STUTZMAN 1306 CLUB HOUSE COURT MANSFIELD, TX 76063

SANDHILL FAMILY LIMITED PARTNERSHIP, A UTAH PARTNERSHIP 4994 E MEADOWS DR PARK CITY, UT, 84098

SANDY ZISK 2908 APPLEWOOD GRAND JUNCTION, CO 81501 SHARON K. PROCTOR AND STEVEN R. GETTY 920 NW 39TH TOPEKA, KS 66618

SHEILA R. EVANS 594 SOUTH SUN DRIVE CASPER, WY 82609

SHERI BACKHAUS 1000 CIELO VISTA, BOX 99, EVANSVILLE, WY 82636

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

STEWART FAMILY TRUST DTD 09/28/06 2405 ST. MARY'S DRIVE SALT LAKE CITY, UT 84108

THOMAS ROGERS, JEANETTE BECKFORD AND HAROLD ROGERS 2189 IRONWOOD RD FORT SCOTT, KS 66701

TRAVIS EVANS 2820 SOUTH 33RD STREET LINCOLN, NE 68506

WADE GAGNON 153 30 RD GRAND JUNCTION, CO 81503-2407

WAYNE E COUNTS (JENNELL L. COUNTS) 1070 CR 35 CRAIG, CO 81625 WESLEY COUNTS (BEVERLY R COUNTS) 2248 CR 35 CRAIG, CO 81625

CAROL SUSAN PUGH 4751 FM 1343 DEVNE, TX 78016 E E COUNTS & COMPANY C/O EARL COUNTS 5517 CO RD 31 CRAIG, CO, 81625

JAMES GLEN COUNTS 777 S RANNEY ST CRAIG, CO, 81625