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 2572.41-ACRE UNIT
LOCATED IN SECTIONS 15, 16, 21 AND 22
TOWNSHIP 8 NORTH, RANGE 90 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 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 2572.41-acre unit Mancos and Niobrara Formations located on the following lands:

Township 8 North, Range 90 West, 6TH P.M.

Section 15: Lots 1-14, E½NE¼; a/d/a ALL

Section 16: ALL

Section 21: Lots 1-16; a/d/a ALL Section 22: Lots 1-16; a/d/a 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 2572.41-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 2572.41-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 2572.41-acre unit for the development of the Mancos and Niobrara Formations, said order to apply to the Bulldog 15-11H-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 2572.41-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 2572.41-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 2572.41-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 27, 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

S	TΑ	T	Ε	O	F	С	O	L	O	F	ĄΣ	D	0

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

Witness my hand and official seal.

My commission expires:

[SEAL]

Commission Expires

Notary Public

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

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 January 31, 2013, 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 January 24, 2013.

Witness my hand and official seal.

Myc

10-04-13

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 2572.41-ACRE UNIT LOCATED IN SECTIONS 15, 16, 21 AND 22 TOWNSHIP 8 NORTH, RANGE 90 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 t declares:	first duly sworn upon her oath, states and
That she is the attorney for Axia Energian 2013, she caused a copy of the attached Apstates 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 801	<u>(o</u>
TANYA S. COHEN NOTARY PUBLIC STATE OF COLORADO NOTARY ID 20084038573 MY COMMISSION EXPIRES NOV. 13, 2016	Notary Public

EXHIBIT A

AXIA ENERGY, LLC ATTN: TAB MCGINLEY 1430 LARIMER STREET, SUITE 400 DENVER, CO 80202 MERIT ENERGY PARTNERS F-III,LP 13727 NOEL ROAD, STE 500 DALLAS, TX 75240

OXY USA INC. ATTN: KATHLEEN BONI 5 GREENWAY PLAZA, SUITE 110 HOUSTON, TEXAS 77046 MERIT ENERGY PARTNERS III, LP 13727 NOEL ROAD, STE 500 DALLAS, TX 75240

A.G. ANDRIKOPOULOS RESOURCES, INC. 905 MYLAR PARK DRIVE CHEYENNE, WY 82009

MERIT MANAGEMENT PARTNERS I, LP 13727 NOEL ROAD, STE 500 DALLAS, TX 75240

BEARTHOOTH OIL & GAS COMPANY 1316 HIGHWAY 6 AND 50 LOMA, CO 81524 MERIT MANAGEMENT PARTNERS II, LP 13727 NOEL ROAD, STE 500 DALLAS, TX 75240

CONLEY P. SMITH, LLC 325 VINE ST. DENVER, CO 80206 MERIT MANAGEMENT PARTNERS III, L.P 13727 NOEL ROAD, STE 500 DALLAS, TX 75240

DAB RESOURCES 1776 LINCOLN ST., SUITE 500, DENVER, CO 80203 ONEOK RESOURCES CO F/K/A ANDERMAN OILS, LLC 100 W 5TH STREET #450 TULSA, OK 74103

HERITAGE ENERGY RESOURCES, INC. 7310 SOUTH ALTON WAY, SUITE 6D, CENTENNIAL, CO 80112

QEP ENERGY COMPANY 1050 17TH STREET, STE 500 DENVER, CO 80265

KAISER-FRANCIS OIL COMPANY 6733 SOUTH YALE AVE TULSA, OK 74136 R & M OIL AND GAS, LTD. 225 UNION BLVD, STE 450 LAKEWOOD, CO 80228

MERIT ENERGY PARTNER E-III,LP 13727 NOEL ROAD, STE 500 DALLAS, TX 75240 ROBERT P. VERNON 5016 AUGUSTA CIRCLE COLLEGE STATION, TX 77845 U.S.A. C/O BUREAU OF LAND MANAGEMENT 2850 YOUNGFIELD STREET LAKEWOOD, CO 80215 MARTHA MARSHALL PO BOX 91139, SAN ANTONIO, TX, 78209

A.D. GENECOV PO BOX 132450 TYLER, TX, 75713 MARY JON BYRON C/O MELINDA K ERICKSON, 445 E CHEYENNE MTN BLVD, STE C - #403 PMB COLORADO SPRINGS CO 80906

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

ADDIE BRACKEN PRICE TRUST C/O BRACKEN OIL CO PO BOX 130129 TYLER, TX, 75713-01 PLC O & G PROPERTIES, L.P. PO BOX 470574 FORT WORTH, TX, 76147-0574

GLENN H. BRACKEN 3420 BLACKBURN, DALLAS, TX, 75219 RUDMAN PARTNERSHIP 1700 PACIFIC AVE #4700 DALLAS, TX, 75201-4670

GLENN H. BRACKEN TRUST C/O JOHN A & RHODA S. BRACKEN, TR. 3420 BLACKBURN DALLAS, TX, 75219

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

JEFF M. BRACKEN 3600 OLD BULLARD RD TYLER, TX, 75701 SAM T. BRACKEN TRUST C/O NANCY BRACKEN WALDEN PO BOX 8029 TYLER TX, 75711-8029

JEFF M. BRACKEN TRUST 3600 OLD BULLARD RD TYLER, TX, 7570 SATER FAMILY PARTNERSHIP C/O RONALD SATER, POB 2509, EVANSVILLE, IN, 47728

JNO KRAKER C/O CAROL STOCKMAN 5033 CASTLEMAN ST PITTSBURGH, PA, 15232 SMITH RANCHO LAND & LIVESTOCK, LLC PO BOX 215 CRAIG, CO, 81626-0215

LAWRENCE CONSOLIDATED ENT. POBOX 180, TYLER TX, 75710 SMITH RANCHO LIMITED PO BOX 215 CRAIG, CO, 81626-0215 STATE OF COLORADO, STATE BOARD OF LAND COMMISSIONSERS 1127 SHERMAN STREET, SUITE 300 DENVER, CO 80202

BEARTOOTH OIL (MINERAL OWNERSHIP) PO BOX 2564 BILLINGS, MT, 59103-2564

C.M. ROSS C/O EMOGENE FARR 7140 OLD MARGANTOWN RD MARTINSVILLE, IN 46151

RONALD E. LAWTON & SHIRLEY L. LAWTON PO BOX 421 CRAIG, CO 81626

THE TRUST AGREEMENT OF ILDA RUTH BOOCO PO BOX 970 HAYDEN, CO 81639

THE TRUST AGREEMENT OF GORDON DELOOS BOOCO PO BOX 970 HAYDEN, CO 81639

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

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

DEAN R WIXOM 639 PINE STREET MONTEREY, CA 93940 DEEP CREEK INVESTMENTS, A UTAH GENERAL PARTNERSHIP 2400 SUNNYSIDE AVENUE SALT LAKE CITY, UT 84108

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

ANN W LAMBERT 3375 CHEROKEE LANE PROVO, UT 84601

JANET E OLSEN 1746 NORTH 900 EAST NORTH OGDEN, UT 84414

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

KENT S OLSEN 7065 SOUTH PENROSE COURT LITTLETON, CO 80122

MCMURRAY INVESTMENT COMPANY 5335 ROSELEAF DRIVE MURRAY, UT 84123

MICHELLE S LAVIN, A MARRIED WOMAN DEALING IN HER SOLE AND SEPARATE PROPERTY 14631 MIMOSA LANE TUSTIN, CA 92780

NORMAN SHEYA 361 BAY VIEW TERRACE COSTA MESA, CA 92627 PAULE S. HEWLETT 1736 NICHOLSON STREET HOUSTON, TX 77008 LOWELL W. FINDLEY 14145 COUNTY ROAD 26 DOLORES, CO 81323

SMITH MINERALS, LTD., A COLORADO LIMITED PARTNERSHIP 119 MARSHALL JOHNSON AVENUE SOUTH PORT LAVACA, TX 77979 PAUL W. DUNKIN C/O KEVIN DUNCAN 5011 STEEPLECHASE DR COLUMBIA, MO, 65203

RANCHO GRECO C/O STEVE RAFTOPOULOS 893 STOUT ST CRAIG, CO, 81625 SHELLIE FINDLEY C/O ROBERT & KATHY KING 3302 HARMONY LANE RAPID CITY SD, 57702

LOREN R. JR. & BONITA BURKE 3551 W. FAIRWAY DR. COEUR D'ALENE, ID 83815 EVERETT FINDLEY C/O JANICE A. DICKS REMINGTON RT 1 ALBIA, IA, 52531

CHARLES R. WEST AND MARY JO WEST TRUST, DATED 07/28/1997, CHARLES R. WEST AND MARY JO WEST, TRUSTEES 2088 S. SAILORS WAY GILBERT, AZ 85295 ALVERTA MARTIN C/O NANCY WARNER 41168 VINCENNES COURT MURRIETA, CA, 92562-1929

DOROTHY PARKER 6501 FOREST CT. DES MOINES, IA 50311 CLIFFORD O. LEWIS, HEIR OF ANNIS LEWIS C/O LINDA MILLER 5141 N NESBIT DUNKERTON IA 50626

WILLIAM R. MADDY 7707 NE 19TH LANE ANKENY, IA 50021 ROY L. LEWIS, HEIR OF ANNIS LEWIS C/O LINDA MILLER 5141 N NESBIT DUNKERTON IA 50626

LETTIE CHAMBERLAIN C/O MUSUEM OF NW COLORADO 590 YAMPA AVE CRAIG, CO 81625 CLELL D. LEWIS, HEIR OF ANNIS LEWIS C/O LINDA MILLER 5141 N NESBIT DUNKERTON IA 50626

DAVID FINDLEY 6120 110TH STREET BUSSEY, IA, 60044 CLAUDE R. LEWIS, HEIR OF ANNIS LEWIS C/O LINDA MILLER 5141 N NESBIT DUNKERTON IA 50626 JAMES G. LEWIS, HEIR OF ANNIS LEWIS C/O LINDA MILLER 5141 N NESBIT DUNKERTON IA 50626 DAVID SUTTON 362 TERRACE CT SPRUCE PINE, NC 28777

RUDOLPH LEWIS, HEIR OF ANNIS LEWIS C/O LINDA MILLER 5141 N NESBIT DUNKERTON IA 50626 JAMES R. SUTTON III C/O DAVID SUTTON 362 TERRACE CT SPRUCE PINE, NC 28777

ELSIE MILLER, HEIR OF ANNIS LEWIS C/O LINDA MILLER 5141 N NESBIT DUNKERTON IA 50626 MICHELE A. SUTTON C/O DAVID SUTTON 362 TERRACE CT SPRUCE PINE, NC 28777

FRANCES E. EDINGTON, HEIR OF ANNIS LEWIS C/O LINDA MILLER 5141 N NESBIT DUNKERTON IA 50626 ROBERT FINDLEY C/O SHARON STUCHEL 1322 2ND AVE E ALBIA, IA 52531

GUY E. LEWIS, HEIR OF ANNIS LEWIS C/O LINDA MILLER 5141 N NESBIT DUNKERTON IA 50626 KIM ANITA MOORE 56 TALISMAN DR, STE 30 PAGOSA SPRINGS, CO, 81147

ARGALI EXPLORATION 138 PINYON CIRCLE RANGLEY, CO 81648 HUGH MCWILLIAMS C/O MARGARET MCWILLIAM 5860 COYOTE RIDGE RD RENO, NV, 89523-1513

ROBERT HANNAH 2939 81ST PL. SE, B4, MERCER ISLAND, WA 98040 JAMES GARRETT 8826 VISTA OAKS CIRCLE DALLAS, TX, 75243

JOHN HANNAH 1224 N CENTRAL MODESTO, CA 95351 MUSEUM OF NW COLORADO 590 YAMPA AVENUE CRAIG, CO, 81625

LEONA CONWELL 335 NE 104TH PORTLAND, OR, 97220 FRIEDMAN LIVING TRUST, NEAL AND SHRAY FRIEDMAN, TRUSTEES 1107 S. ELISEO DR. GREENBRAE, CA, 94904 JOHN CLAWSON FAMILY PARTNERSHIP PO BOX 29585, SAN FRANCISCO, CA, 94129-0585 MCCOY FAMILY TRUST 12508 HAY COURT EL CAJON, CA, 92021

JOSEPH & EMMA JONES THEROUX PO BOX 367 BROOKSDALE, CA 95007 BRAD WINDER (POA) 1082 BREEZE ST CRAIG, CO, 81625

KATHLEEN CLINE 13444 OAK RIDGE DR ALPINE, UT, 84004-0000 SCOTT WINDER BRAD WINDER (POA) 1082 BREEZE ST CRAIG, CO, 81625

KAYE CRISWELL PO BOX 359 TORRINGTON, WY, 82240-0000 REX WINDER BRAD WINDER (POA) 1082 BREEZE ST CRAIG, CO, 81625

RUTH ANN ABBOT PO BOX 66 SMITHWICK, SD, 57782-0000 JOAN WINDER BRAD WINDER (POA) 1082 BREEZE ST CRAIG, CO, 81625

EDWARD G. WEAVER 1461 BEDFORD AVE SUNNYVALE, CA, 94087 HILL HYDROCARBON 1315 RED FOX RD STE 200 ARDEN HILLS, MN, 55112

NANCY WEAVER 2032 BAYCROWN CT CHESTERFIELD, MO, 63017 BLOCO, INC. 791 SPRINGWOOD ROAD HOT SPRINGS, AK, 71913

ROBIN HERRING 848 E 11TH CRAIG, CO, 81625 A.C. GOLDEN 118 FAIRWAY CT BISMARCK, ND, 58501

JIM KOWACH 747 ROSE ST CRAIG, CO, 81625 JAMES LYLE TAYLOR 2460 ERLING WAY KINGSBURY, CA, 93631 JACQUELINE SUE BALLECK PO BOX 90 CRAIG, CO, 81626-0000

JAMES SHERWIN STEHLE 7685 PONTIAC ST COMMERCE CITY, CO, 80022

JOHN CLIFFORD STEHLE PO BOX 1649, CRAIG, CO, 81626-1649