

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 2608.32-  
ACRE UNIT LOCATED IN SECTIONS 17, 18, 19  
AND 20, TOWNSHIP 7 NORTH, RANGE 91  
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 its attorneys, Beatty & Wozniak, P.C., and makes this application to the Oil and Gas Conservation Commission of the State of Colorado ("Commission") for an order to pool all interests within an approximate 2608.32-acre drilling and spacing unit or the development of the Mancos and Niobrara Formations on the following described lands:

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

Section 17: Lots 1-16; a/d/a ALL

Section 18: Lots 5-20; a/d/a ALL

Section 19: Lots 5-26, Tracts 37,38; a/d/a ALL

Section 20: Lots 1-21; 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 2608.32-acre unit.
3. Rule 318.a. of the Rules and Regulations of the Oil and Gas Conservation Commission requires that wells drilled in 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 other specific Commission Orders applicable to the Mancos and Niobrara Formations underlying the Application Lands.
4. Applicant has concurrently filed with this Application a spacing application ("Spacing Application") requesting that the Commission establish an approximate 2608.32-acre drilling and spacing unit for the Application Lands, requesting to drill and complete an appropriate number of wells in order to efficiently and economically recover the oil, gas and associated hydrocarbons from within the unit for the development of the Mancos and Niobrara Formations. Said Spacing Application is scheduled to be heard at the September 19, 2013 Commission Hearing.

5. Applicant, pursuant to Commission Rule 530 and/or the provisions of C.R.S. § 34-60-116 (6) and (7), hereby requests an order pooling all interests, including, but not limited to, any nonconsenting interests, in the Application Lands consisting of the 2608.32-acre drilling and spacing unit for the development of the Mancos and Niobrara Formations, said order to apply to the Bulldog EDSU 17-18-19-20-791 ("Well") and the seven subsequent wells drilled in the unit.

6. 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 of the seven subsequent well drilled in the unit to the Mancos and Niobrara Formations on the Application Lands.

7. Applicant confirms that the nonconsenting parties' interests in the first eight wells drilled and completed in the 2608.32-acre drilling and spacing unit will be subject to the nonconsent penalties set forth in C.R.S. § 34-60-116(7). If Applicant elects to drill more than eight wells, Applicant will notify nonconsenting parties and give them an opportunity to participate pursuant to Rule 530.

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

9. That in order to prevent waste and to protect correlative rights, all interests in the Application Lands and the 2608.32-acre 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 respectfully requests that this matter be set for hearing in September, 2013, 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 2608.32-acre drilling and spacing 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 of the seven subsequent wells 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 the first eight wells drilled to develop the Mancos and Niobrara Formations in the 2608.32-acre drilling and spacing unit comprising the Application Lands.

D. Providing that the nonconsenting parties' interests in the first eight wells drilled and completed in the 2608.32-acre drilling and spacing unit will be subject to the nonconsent penalties set forth in C.R.S. § 34-60-116(7).

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

Dated: July \_\_\_\_, 2013

Respectfully submitted,

AXIA ENERGY, LLC


By: \_\_\_\_\_

Jamie L. Jost  
Gregory J. Nibert Jr.  
Beatty & Wozniak, P.C.  
Attorneys for Applicant  
216 16<sup>th</sup> 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

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

Witness my hand and official seal.

My commission expires: 5/31/16



[SEAL]

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MOFFAT COUNTY, COLORADO.

Docket No. \_\_\_\_\_

MARY GRACE T. GO-HOVELAND  
Notary Public  
State of Colorado

## EXHIBIT A

AXIA ENERGY, LLC  
1430 LARIMER STREET, SUITE 400  
DENVER, CO 80202

OXY USA INC.  
5 GREENWAY PLAZA, SUITE 110  
HOUSTON, TEXAS 77046

GULFPORT ENERGY CORPORATION  
14313 N. MAY AVE, SUITE 100  
OKLAHOMA CITY, OK 73134

QUICKSILVER RESOURCES, INC.  
801 CHERRY STREET, STE. 3700  
FORT WORTH, TEXAS 76102

SWEPI LP  
PO BOX 576  
HOUSTON, TX 77001

MICHAEL HEMENWAY  
8389 PLEASANTVIEW DR  
MOUNDVIEW MN, 55112

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

ANN E EBENER  
1850 POMERELLE DR  
TWINN FALLS, ID 83301

BETTINA MAGAS  
2916 PINERIDGE DR  
CRAIG, CO 81625

BETTINA MAGAS  
2916 PINERIDGE DR, CRAIG, CO 81625

BRAD A. WINDER  
212 HARRISON ST  
PORT ALLEGANY, PA 16743

C.A. AND MARY E. KERSTE FAMILY  
REVOCABLE TRUST, DATED 4/27/1999  
35971 N HWY 13  
CRAIG, CO 81625

CAROL M. ALLEN  
7122 OLD KENT RD  
AMARILLO, TX 79109

CATHY J REININGER, JT WITH MARY L. SIMON  
148 ALLISON LANE  
MADISON, MS 39110

CONNIE E. WILLAN  
15843 GUY JAMES RD  
JUSTIN, TX 76247

C-WALL INVESTMENT COMPANY, LLC  
685 W. ESCALANTE DR  
ST. GEORGE, UT 84790

CYNTHIA L. DAISLEY  
36 HAMILTON RUN RD.  
PORT ALLEGANY, PA 16743

DARRIN C PRESTANGEN AND MELISSA J  
BLANK-PRESTANGEN, J/T  
4864 COUNTY RD. 7  
CRAIG, CO 81625

DOROTHY BECKETT  
1444 NORTH RECKER ROAD APT 160  
MESA, AZ 85205

EAV, LLC  
418 SETTER TRAIL  
WINTER PARK, FL 32789

ELEANOR JANE MCDONALD, DECEASED C/O  
JOHN BLAIR MCDONALD  
PO BOX 1744  
STERLING, CO 80751-1744

ELIZABETH B. CARBELLO, FKA ELIZABETH B  
ELDER  
1155 NORTH 150 EAST  
SPRINGVILLE, UT 84663

FAMILY ACHIEVEMENT LLC  
5965 CORNITH DR  
COLORADO SPRINGS, CO 80923

FAMILY EFFORT LLC  
404 WINTERS LANE  
MURPHYSBORO, IL 62966

FAMILY FUTURE LLC  
1139 ARBOR PLACE DR  
MANCHESTER, MO 63088

FAMILY HOPE LLC  
1780 PRESTON CENTRE DR  
FENTON, MO 63026

FLORENCE HANSON  
8387 OAK KNOLL DRIVE  
GRANITE BAY, CA 95746

GEORGIA LUJAN  
PO BOX 576  
HOUSTON, TX 77001

GRIKAT RESOURCES LLC  
657 HAWBROOK AVE  
KIRKWOOD, MO 63122

GUNNISON VALLEY CHURCH OF THE  
NAZARENE, FKA CHURCH OF THE NAZARENE  
1721 H RD  
DELTA, CO 81416

HOOLEY FAMILY TRUST  
11055 N. 129TH WAY  
SCOTTSDALE, AZ 85259

JACK C. WOODS  
5931 BALSAM PLACE  
ARVADA, CO 80004

JAMES C. KAISER  
107 N BUSINESS 60  
MANSFIELD, MO 65704

JENNIFER SUSAN BLAKENEY, FKA JENNIFER  
SUSAN STRUBLE  
1318 URBAN  
GOLDEN, CO 80401

JOE BILL GATES  
675 LEGION ST  
CRAIG, CO 81625

JOHN ALBERT GATES  
146 PATTAWAPOMIE TRAIL  
RED FEATHERS LAKES, CO 80545

JOHN BLAIR MCDONALD  
PO BOX 1744, STERLING  
CO 80751-1744

KIRK E. BINDER  
1507 DESERT GOLD  
BOERNE, TX 78006

L. PIERRE JOHNSON & MARY KAYE JOHNSON,  
TRUSTEES OF THE PIERRE AND KAYE  
JOHNSON TRUST DATED 3/23/1999  
160 CO RD 78  
CRAIG, CO 81625

MAP 2006 OK  
101 N. ROBINSON, STE. 1000  
OKC, OK 73102

MARJORIE ANN WOODS TRUST, PATRICIA  
CAMPBELL & MARY J. SPENCER TRUSTEES  
1649 WETTERHORN ST  
MONTROSE, CO 81401

MARLENE F BLANK AND MELISSA J  
PRESTANGEN  
4645 COUNTY RD. 7  
CRAIG, CO 81625

MARY ANN SPARKS  
2015 COUNTY RD. 1214  
TUTTLE, OK 73089

MARY B DOCKSTADER FKA MARY B. GRECO  
3987 LUPINE DR. EAST 1/2  
VAIL, CO 81657

MARY F DAVIS  
1418 WOODLAND ST. SE  
DECATUR, AL 35601

REX ROSS WALKER  
911 KIMBARK ST  
LONGMONT, CO 80501

MARY L SIMON, JT WITH CATHY J. REININGER  
676 BARCLAY ST  
CRAIG, CO 81625

ROSS OIL COMPANY  
1012 FIRST PLACE  
TYLER, TX 75702

MICHAEL WAYNE CONWAY  
1901 EAST ROSE RD  
MARLOW, OK 73005

ROY GATES  
5031 RUDESELL ST  
MONT CLAIR, CA 91763

MOFFAT COUNTY  
BOARD OF COUNTY COMMISSIONERS  
MOFFAT COUNTY, CO 81625

SANDRA V MARIS  
257 BRAE BURN DR  
JACKSON, MS 39211

MONTANA VAUGHEY FAMILY PARTNERSHIP  
2505 SOUTHBRIDGE DR  
HELENA, MT 59601

STANLEY FOSTER BECKETT  
2916 PINE RIDGE DR.  
CRAIG, CO 81625

NEIL A. BINDER  
321 BROAD ST.  
PORT ALLEGANY, PA 16743

STEVEN MARR CONWAY  
4509 SHERMAN BLVD  
GALVESTON, TX 75201

PATRICIA GAIL CONWAY  
2221 10TH AVE. N  
GRAND FORKS, ND 58201

STEVENSON FAMILY LLC  
782 LOGAN AVE  
SALT LAKE CITY, UT 84105

PATRICIA VAUGHEY  
3670 LAKELAND LANE  
JACKSON, MS 39216

SUE F MCBRIDE  
483 E. CRAFTSMAN WAY  
MIDWAY, UT 84049

PETER & LINDA NICHOLS  
PO BOX 3495  
SOLDOTNA, AK 99699

THE SKEETERS COMPANY  
1822 SANDY COVE  
NASSAU BAY, TX 75201

PIERRE & KAYE JOHNSON, CO-TRUSTEES OF  
THE PIERRE AND KAYE JOHNSON FAMILY  
TRUST  
160 CO RD 78  
CRAIG, CO 81625  
REBEKAH A. VOWELS  
111 S. DRIVER CT  
PAGOSA SPRINGS, CO 81147

TOMMY GENE GATES  
6955 W. 87TH WAY, #280  
ARVDA, CO 80030

COBANK, FCB FKA FARM CREDIT BANK OF  
WITCHITA  
245 N WACO ST  
WICHITA, KS 67202



VAUGHEY INVESTMENTS, LLC  
300 VINE ST  
DENVER, CO 80206

VICKY LEE WAITMAN  
20347 CR 3  
CRAIG, CO 81625

VIRGINIA R SMITH  
9650 SOUTH BELLMORE LANE  
HIGHLANDS RANCH, CO 80126

WAYCOL MINERALS LLC  
108 GLENWOOD DR  
FENTON, MO 63026

WILLIAM J. BINDER, II  
5 MORSELL PLACE  
OLD BRIDGE, NEW JERSEY 08857