

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

IN THE MATTER OF THE **AMENDED** APPLICATION  
OF AXIA ENERGY, LLC FOR AN ORDER TO POOL  
ALL INTERESTS IN AN APPROXIMATE **2584.52-**  
**ACRE UNCONVENTIONAL RESOURCE UNIT**  
LOCATED IN SECTIONS 29, 30, 31 AND 32,  
TOWNSHIP 8 NORTH, RANGE 91 WEST, 6TH P.M.,  
FOR THE MANCOS AND NIOBRARA  
FORMATIONS, UNNAMED FIELD, MOFFAT  
COUNTY, COLORADO

Cause No. 540

Docket No. 1309-UP-191

**AMENDED APPLICATION**

COMES NOW AXIA ENERGY, LLC (referred to herein as "Applicant"), by its attorneys, Beatty & Wozniak, P.C., and makes this **amended** application to the Oil and Gas Conservation Commission of the State of Colorado ("Commission") for an order to pool all interests within an approximate **2584.52-acre unconventional resource unit** or the development of the Mancos and Niobrara Formations on the following described lands:

Township 8 North, Range 91 West, 6<sup>TH</sup> P.M.

Section 29: All

Section 30: **All; a/d/a Lots 5-9, E $\frac{1}{2}$ NW $\frac{1}{4}$ , NE $\frac{1}{4}$ SW $\frac{1}{4}$ , E $\frac{1}{2}$**

Section 31: Lots 5-7, 10-13, 16, NE $\frac{1}{4}$ NE $\frac{1}{4}$ , S $\frac{1}{2}$ NE $\frac{1}{4}$ , SE $\frac{1}{4}$ SW $\frac{1}{4}$ , SE $\frac{1}{4}$

Section 32: **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 **2584.52-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 **2584.52-acre unconventional resource unit** for the Application Lands, requesting to drill and complete an appropriate number of vertical, directional or horizontal 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 **October 28, 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 **2584.52-acre unconventional resource unit** for the development of the Mancos and Niobrara Formations, said order to apply to the **Bulldog 21-31H-790 Well, the Bulldog 21-41H-790 Well**, or any of the **six** subsequent vertical directional or horizontal wells ("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 Wells 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 **2584.52-acre unconventional resource 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 **2584.52-acre unconventional resource 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, 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 **2584.52-acre unconventional resource 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 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 Wells 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 **2584.52-acre unconventional resource unit** comprising the Application Lands.

D. Providing that the nonconsenting parties' interests in the first eight Wells drilled and completed in the **2584.52-acre unconventional resource 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: October 7<sup>th</sup>, 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

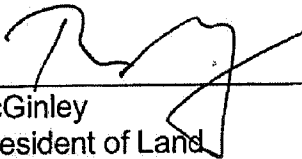
Applicant's Address:

Axia Energy LLC  
ATTN: Tab McGinley  
1430 Larimer Street, Suite 400  
Denver, Colorado 80202

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

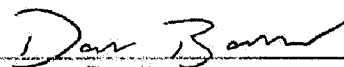
Subscribed and sworn to before this <sup>th</sup>7 day of October, 2013.

Witness my hand and official seal.

My commission expires:

[SEAL]

DAVID BAUMBACH  
NOTARY PUBLIC  
STATE OF COLORADO  
NOTARY ID 20134000190  
MY COMMISSION EXPIRES JANUARY 7, 2017

  
\_\_\_\_\_  
Notary Public

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## AFFIDAVIT OF MAILING

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

Jennifer Pittenger, of lawful age, and being first duly sworn upon her oath, states and declares:

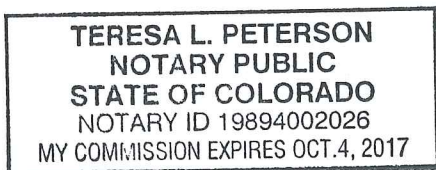
That she is a Legal Assistant for Beatty and Wozniak P.C., attorneys for Axia Energy, LLC, that on or before October 8, 2013, she caused a copy of the attached Amended Application to be deposited in the United States Mail, postage prepaid, addressed to the parties listed on Exhibit A to the Application.

  
Jennifer Pittenger

Subscribed and sworn to before me October 7, 2013.

Witness my hand and official seal.

My commission expires: \_\_\_\_\_



\_\_\_\_\_  
*Laura L. Peterson*  
 \_\_\_\_\_  
 Notary Public

## EXHIBIT A

Axia Energy, LLC  
1430 Larimer Street, Suite 400  
Denver, CO 80202

OXY USA Inc.  
5 Greenway Plaza, Suite 110  
Houston, TEXAS 77046

U.S.A. C/O Bureau Of Land Management  
2850 Youngfield Street,  
Lakewood, CO 80215

Alexandra Butler, A Single Woman  
2115 CR 3, P.O. Box 1304  
Craig, CO 81625

Ann W Lambert, A Married Woman Dealing In  
Her Sole And Separate Property  
3375 Cherokee Lane  
Provo, UT 84601

Cathey Family Mineral Rights Trust  
18617 East Pine Valley Drive  
Queen Creek, AZ 85142

David Myrick, Jr.  
PO Box 691425  
San Antonio, TX 78269

David R Olsen, A Married Man Dealing In His  
Sole And Separate Property  
389 Isle Court  
Palm Beach Garden, FL 33418

Dean R Wixom, A Married Man Dealing In His  
Sole And Separate Property  
639 Pine Street  
Monterey, CA 93940

Debra Thornton, A Married Woman Dealing In  
Her Sole And Separate Property  
PO Box 27458  
Sarasota, FL 34232

Edith Cecil Murphy Adams Revocable Trust  
2529 Rustic Oak Court  
Sarasota, FL 34232

Deep Creek Investments, A Utah General  
Partnership  
2400 Sunnyside Avenue  
Salt Lake City, UT 84108

Estate Of F.E. Kimball, C/O Neal J. Kimball  
526 Quailbrook Ct.  
San Jose, CA 95110

Estate Of Ray Kimball, C/O Steve R. Kimball  
2440 Quail Run Dr.  
Medford, OR 97504

Evalyn Jane Linder  
104 S.E. 51st Street  
Oklahoma City, OK 73129

Gary L Wixom, Trustee Under Unrecorded  
Trust Agreement Dated 06/27/88  
1737 Nalulu Place  
Honolulu, HAWAII 96821

Janet E Olsen, A Single Woman  
1746 North 900 East  
North Ogden, UT 84414

Jencar, Ltd., A Utah Limited Patnership  
1777 South 2600 East  
Salt Lake City, UT 84108

John Allen Ranch, LLC  
71 Allen Lane  
Craig, CO 81625

Katherine Ann Wild, Heir Of Ronald M. Wild  
1223 N. 4th St., Apt G  
Chillicothe, IL 61523

Kathleen M. (Mcdonald) Nicks  
5019 S. L Street  
Tacoma, WA 98408

Kent S Olsen, A Married Man Dealing In His  
Sole And Separate Property  
7065 South Penrose Court  
Littleton, CO 80122

Marjorie A. Wild, Heir Of Ronald M. Wild  
PO Box 2408  
Helendale, CA 92342

Mark D. McDonald  
4208 Cabell Dr., Unit 532  
Dallas, TX 75204

Mary Ellen Thomas, Heir Of Ronald M. Wild  
13138 Caminito Mendiola  
San Diego, CA 92130

Mcmurray Investment Company  
5335 Roseleaf Drive  
Murray, UT 84123

Michael D. McDonald  
6420 Pierce St.  
Arvada, CO 80003

Michael John Butler  
1918 CO Rd 106,  
Craig, CO 81625

Michelle S Lavin, A Married Woman Dealing  
In Her Sole And Separate Property  
14631 Mimosa Lane  
Tustin, CA 92780

Museum Of Northwest Colorado  
590 Yampa Ave  
Craig, CO 81625

Norman Sheya, A Single Man  
361 Bay View Terrace  
Costa Mesa, CA 92627  
Norman Sheya  
361 Bay View Terrace  
Costa Mesa, CA 92627

Paule S. Hewlett, A Married Woman Dealing  
In Her Sole And Separate Property  
1736 Nicholson Street  
Houston, TX 77008

Pierre & Kaye Johnson, Co-Trustees Of The  
Pierre And Kaye Johnson Family Trust  
160 CR 78  
Craig, CO 81625

Rose Ann Porter, A Married Woman Dealing  
In Her Sole And Separate Property  
Vali Konagi Mal. Sino;  
Lu Cernal Sokak #1 Nur Apt. D. 10  
Nisantasi, Istanbul 34365, Turkey

Sandra H. Wild, Widow Of Richard H. Wild  
23100 E. Mariposa Rd.  
Escalon, CA 95320

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