

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 2560-
ACRE UNIT LOCATED IN SECTIONS 15, 16, 21
AND 22, TOWNSHIP 8 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 2560-acre drilling and spacing unit or the development of the Mancos and Niobrara Formations on the following described lands:

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

Section 15: ALL

Section 16: ALL

Section 21: ALL

Section 22: 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 2560-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 2560-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 2560-acre drilling and spacing unit for the development of the Mancos and Niobrara Formations, said order to apply to the Bulldog EDSU 15-16-21-22-891 ("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 2560-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 2560-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 2560-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 2560-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 2560-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 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 Application and that the statements contained therein are true to the best of his knowledge, information, and belief.

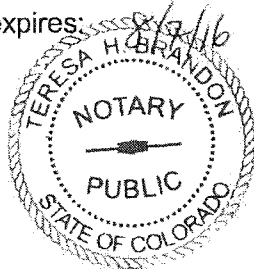


Tab McGinley
Vice President of Land

Subscribed and sworn to before this 18th day of July, 2013.

Witness my hand and official seal.

My commission expires: 8/3/16





Notary Public

[SEAL]

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MOFFAT COUNTY, COLORADO

Cause No. _____

Docket No. _____

AFFIDAVIT OF MAILING

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

Gregory J. Nibert, Jr., of lawful age, and being first duly sworn upon his oath, states and declares:

That he is the attorney for Axia Energy, LLC, that on or before July __, 2013, he 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.



Gregory J. Nibert, Jr.

Subscribed and sworn to before me July 18, 2013.

Witness my hand and official seal.

My commission expires: 8/27/15.



Notary Public

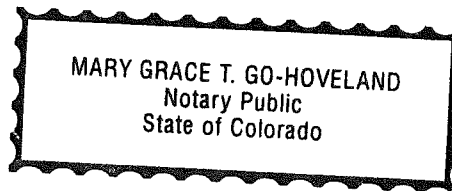


EXHIBIT A

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

BEARTOOTH OIL AND GAS COMPANY
PO BOX 2564
BILLINGS, MT 59103

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

BLOCO INC.
791 SPRINGWOOD ROAD
HOT SPRINGS, AR 71913

BEARTOOTH OIL AND GAS COMPANY
PO BOX 2564
BILLINGS, MT 59103

GOLDEN A G
PO BOX 1853
BISMARCK, ND 58502

BLOCO INC.
791 SPRINGWOOD ROAD
HOT SPRINGS, AR 71913

HILL HYDROCARBONS, INC
791 SPRINGWOOD ROAD
HOT SPRINGS, AR 71913

GOLDEN A G
PO BOX 1853
BISMARCK, ND 58502

BROWNSTONE VENTURES INC (US)
130 KING ST. W, STE 2810
TORONTO ON M5X 1A9

HILL HYDROCARBONS, INC
791 SPRINGWOOD ROAD
HOT SPRINGS, AR 71913

BROWNSTONE VENTURES INC (US)
130 KING ST. W, STE 2810
TORONTO ON M5X 1A9

RETAMCO OPERATING INC.
PO BOX 790
RED LODGE, MT 59068

RETAMCO OPERATING INC.
PO BOX 790
RED LODGE, MT 59068

DAVID CHARLES HOLLIMAN
17592 N. 4013 DRIVE
BARTLESVILLE, OK 74006

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

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

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

DEAN R WIXOM
639 PINE ST
MONTEREY, CA 93940

DEEP CREEK INVESTMENTS, A UTAH
GENERAL PARTNERSHIP
2400 SUNNYSIDE AVENUE
SALT LAKE CITY, UT 84108-0000

DENISE D. STEARNS
15636 OAKSTAND ROAD
POWAY, CA 92064

EDITH L. MYERS LIVING
TRUST DATED NOV 18, 1994
1225 PIONEER AVE
RIVERTON, WY 82501

ESTATE OF DOLLIE CARMICHAEL C/O
CAROL LAMPE
615 ROAD 11
ST FRANCIS, KS 67756-5758

ESTATE OF J.R. REECE A/K/A RAYBURN
REECE C/O THOMAS REECE
671 CEDAR DRIVE
CRAIG, CO 81625

ESTATE OF VERA MAY GORTHY C/O JEANNE
DUNBAR JOANNE JONES, CINDY HAM, SUE
SIMBLMAN, DEBORAH GRACE
105 LAKE FOREST DR
BONNER SPRINGS, KS 66012

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

JANET E OLSEN
1746 N 900 E
OGDEN, UT 84414-3182

JEMI JEAN JONES
2309 MICKEY ROAD
DEL CITY, OK 73115

JENCAR, LTD., A UTAH LIMITED PARTNERSHIP
1777 SOUTH 2600 EAST
SALT LAKE CITY, UT 84108-0000

KEEGAN M. RUCKDASCHEL F/K/A KEEGAN
M. HANES
209 COUNTRYHAVEN RD.
ENCINITAS, CA 92024

KENNETH J. TRITZ AND WIFE,
M. CAROLE TRITZ
304 E 2ND ST
FRANKFORT, KS 66427-1407

KENT S OLSEN
7065 S PENROSE COURT
LITTLETON, CO 80122-0000

KEVIN VIDETICH
PO BOX 250
LEVELLAND, TX 79336

LAVERNE MCFARLAND
821 RANNEY ST
CRAIG, CO 81625

LORETTA C. CORBIN F/K/A LORETTA C.
LEGER
5203 S MILAN
AMARILLO, TX 79110-0000

LOUISE H. EHRESMAN REVOCABLE TRUST
782 VIA ESPIRITO SANTOS ST
CLAREMONT, CA 91711

LUCILLE BOWEN
854 WAGONWHEEL DR
FT COLLINS, CO 0526-0000

MCMURRAY INVESTMENT COMPANY
5335 ROSELEAF DRIVE
MURRAY, UT 84123

MICHAEL J. ORESKEY
1715 KINGS ROYAL
PUEBLO, CO 81005

MICHAEL VIDETICH
812 EAST HUNTINGTON DRIVE
HIGHLANDS RANCH, CO 80126

MICHELLE S LAVIN
14631 MINOSA LANE
TUSTIN, CA 92680-0000

NORMAN SHEYA
361 BAY VIEW TERRACE
COSTA MESA, CA 92627-1482

OAK GROVE, TRACY L. BALDWIN, TRUSTEE
61389 TOMBSTONE DR
MONTROSE, CO 81401-0000

PAULE S. HEWLETT
1736 NICHOLSON
HOUSTON, TX 77008

PIERRE & KAYE JOHNSON, CO-TRUSTEES
OF THE PIERRE AND KAYE JOHNSON
FAMILY TRUST
160 CO RD 78
CRAIG, CO 81625

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

RAYMOND E. HANES
8876 PASEO RANCHERO CT
LAS VEGAS, NV 89147

RAYMOND E. HANES AND
8876 PASEO RANCHERO CT
LAS VEGAS, NV 89147

RICHARD G. ORESKEY
1715 KINGS ROYAL
PUEBLO, CO 81005

RICHARD R. MONTGOMERY
AND MARILYNN C. MONTGOMERY
505 33 RD
CLIFTON, CO 81520

ROBERT CHARLES LEGER, JR.
C/O PATRICIA BLAKE
11994 CALLE LIMONERO
EL CAHON, CA 92019

RODNEY D. HOLLIMAN
5008 FOUNTAIN HEAD LANE
BRENTWOOD, TN 37027

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

STATE OF COLORADO
1127 SHERMAN ST., STE. 300
DENVER, CO 80203

STEWART FAMILY TRUST DTD 09/28/06
2405 ST MARYS DRIVE
SALT LAKE CITY, UT 84108

SUSAN D. JUBA
1715 KINGS ROYAL
PUEBLO, CO 81005

WILLIAM B. BARTLETT, JR. AND ANNA O.
BARTLETT REVOCABLE TRUST DATED THE
12TH DAY OF DECEMBER, 1990, WILLIAM B.
BARTLETT, JR. TRUSTEE
237 E 1300 N
RUPERT, ID 83350

WILLIAM K. LATHAM
4425 OTIS COURT
CARMICHAEL, CA 95608-0000

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MOFFAT COUNTY, COLORADO

Cause No. 540

Docket No. 1309-UP-193


SUPPLEMENTAL AFFIDAVIT OF MAILING

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

Gregory J. Nibert Jr., of lawful age, and being first duly sworn upon his oath, states and declares:

That he is the attorney for Axia Energy, LLC and that on or before August 15, 2013 he caused a copy of the above-captioned Application to be deposited in the United States Mail, postage prepaid, addressed to the parties listed below:

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

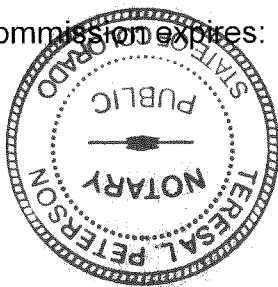


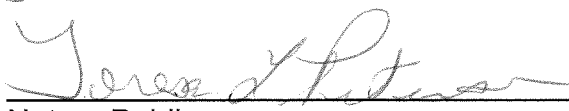
Gregory J. Nibert Jr.

Subscribed and sworn to before me August 14, 2013.

Witness my hand and official seal.

My commission expires: 10-04-13.





Notary Public