

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 2660.9-
ACRE UNIT LOCATED IN SECTIONS 5, 6, 7
AND 8, 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 2660.9-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 5: Lots 1-4, S2N2, S2; a/d/a ALL

Section 6: Lots 8-23; a/d/a ALL

Section 7: Lots 5-8, E2W2, E2; a/d/a ALL

Section 8: 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 2660.9-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 2660.9-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 2660.9-acre drilling and spacing unit for the development of the Mancos and Niobrara Formations, said order to apply to the Bulldog EDSU 5-6-7-8-891 ("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 2660.9-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 2660.9-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 2660.9-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 2660.9-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 2660.9-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: 8/2/16





Notary Public

[SEAL]

EXHIBIT A

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

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

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

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

DILLARD E. BLACK
990 MARTY LEE LANE
FRANKLIN, OH 45005

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

EDWARD BLACK
739 E. 4TH STREET
FRANKLIN, OH 45005

CYNTHIA BLACK,
AKA CYNTHIA A. ARMBUSTER
721 CENTRAL LANE
WEST CARROLLTON, OH 45449

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

DONALD BLACK
C/O EDWARD BLACK,
739 E. 4TH ST.
FRANKLIN, OH 45005

GREGORY SHUMATE
3364 NORTH BEND ROAD
CINCINNATI, OH 45239

VISINTAINER SHEEP CO.
PO BOX 395
CRAIG, CO 81626-0395

HELEN E. HOFFER
5018 ROSEDALE
MIDDLETOWN, OH 45042

ANN W LAMBERT
3375 CHEROKEE LANE
PROVO, UT 84601-0000

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

DAVID E. PADE, SR.
1221 MAYROSE DRIVE
WEST CARROLLTON, OH 45449

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

JOHN L. WEISS
36 HAROLD STREET
FRANKLIN, OH 45005

ROBIN BLACK
2306 CHRISTEL AVENUE
MIDDLETOWN, OH 45044

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

RUTH ANN CAUDILL
6262 STATE ROUTE 753
HILLSBORO, OH 45133

LADDIEBELLE LTD. LIABILITY CO.
50580 SE MARMOT RD
SANDY, OR 97055-0000

RUTH E. CHADWICK AND ROBERT W.
CHADWICK, TRUSTEES OF THE CHADWICK
SURVIVOR'S TRUST DATED MAY 8, 1998,
EXECUTED AND EFFECTIVE NOVEMBER 27,
2002
3925 WEST ELM ST.
PHOENIX, AZ 85019

MCMURRAY INVESTMENT COMPANY
5335 ROSELEAF DRIVE
MURRAY, UT 84123

MELODY A. MEREDITH
4830 MAYS AVENUE
MORAINE, OH 45439

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

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

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

MOFFAT COUNTY
221 W. VICTORY WAY
CRAIG, CO 81625

TERESA A. PARKER
3049 FIDDLERS RIDGE DRIVE
CINCINNATI, OH 45248

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

TIM METZ, A SINGLE MAN
707 S 13TH
FAIRVIEW, OK 73737

PATRICIA P. KELSEA
137 S. SALT CEDAR PLACE
CHANDLER, AZ 85225

TIMOTHY SCOTT HINELINE
3801 CENTRAL AVENUE
MIDDLETOWN, OH 45044

PAULE S. HEWLETT
1736 NICHOLSON
HOUSTON, TX 77008

COBANK, FCB FKA FARM CREDIT BANK OF
WITCHITA
PO BOX 2940
WICHITA, KS 67201-2940

RALPH H. HINELINE, JR.
11933 MAPLE TRAIL
HILLSBORO, OH 45133

WILLIAM KEVIN SHUMATE
388 WILDBERRY
BARTLETT, IL 60103