

**APPLICATION FOR PERMIT TO:**

1.  Drill,  Deepen,  Re-enter,  Recomplete and Operate

**2. TYPE OF WELL**

OIL  GAS  COALBED  OTHER Lateral  
SINGLE ZONE  MULTIPLE  COMMINGLE

Refiling   
Sidetrack

3. Name of Operator: AXIA ENERGY LLC 4. COGCC Operator Number: 10335  
5. Address: 1430 LARIMER STREET #400  
City: DENVER State: CO Zip: 80202  
6. Contact Name: Lisa Smith Phone: (303)857-9999 Fax: (303)450-9200  
Email: lspemitco@aol.com  
7. Well Name: Bulldog Well Number: 6-31H-790  
8. Unit Name (if appl): \_\_\_\_\_ Unit Number: \_\_\_\_\_  
9. Proposed Total Measured Depth: 19626

**WELL LOCATION INFORMATION**

10. QtrQtr: Lot 9 Sec: 6 Twp: 7N Rng: 90W Meridian: 6  
Latitude: 40.599406 Longitude: -107.533264  
Footage at Surface: 533 feet FNL 2441 feet FEL  
11. Field Name: Wildcat Field Number: 99999  
12. Ground Elevation: 6464 13. County: MOFFAT

14. GPS Data:  
Date of Measurement: 01/25/2012 PDOP Reading: 1.2 Instrument Operator's Name: Bart Hunting

15. If well is  Directional  Horizontal (highly deviated) **submit deviated drilling plan.**  
Footage at Top of Prod Zone: FNL/FSL FEL/FWL Bottom Hole: FNL/FSL FEL/FWL  
1048 FNL 2500 FEL 1920 FSL 1855 FWL  
Sec: 6 Twp: 7N Rng: 90W Sec: 7 Twp: 7N Rng: 90W

16. Is location in a high density area? (Rule 603b)?  Yes  No  
17. Distance to the nearest building, public road, above ground utility or railroad: 1814 ft  
18. Distance to nearest property line: 225 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 5280 ft

**LEASE, SPACING AND POOLING INFORMATION**

Objective Formation(s)	Formation Code	Spacing Order Number(s)	Unit Acreage Assigned to Well	Unit Configuration (N/2, SE/4, etc.)
Niobrara	NBRR	540-4	1028	S6:Lts8-10,12-23,S7:

21. Mineral Ownership:  Fee  State  Federal  Indian Lease #: \_\_\_\_\_  
22. Surface Ownership:  Fee  State  Federal  Indian  
23. Is the Surface Owner also the Mineral Owner?  Yes  No Surface Surety ID#: \_\_\_\_\_  
23a. If 23 is Yes: Is the Surface Owner(s) signature on the lease?  Yes  No  
23b. If 23 is No:  Surface Owners Agreement Attached or  \$25,000 Blanket Surface Bond  \$2,000 Surface Bond  \$5,000 Surface Bond

24. Using standard QtrQtr, Sec, Twp, Rng format enter entire mineral lease description upon which this proposed wellsite is located (attach separate sheet/map if you prefer):  
 T7N - R90W: Section 6: Lots 8, 9, 14, 15, 16, 17, 22, 23: E2. Section 7: Lots 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15. N2, NE4SW4, N2NSE4.

25. Distance to Nearest Mineral Lease Line: 0 ft                      26. Total Acres in Lease: 483

**DRILLING PLANS AND PROCEDURES**

27. Is H2S anticipated?     Yes                       No    If Yes, attach contingency plan.

28. Will salt sections be encountered during drilling?     Yes                       No

29. Will salt (>15,000 ppm TDS CL) or oil based muds be used during drilling?     Yes     No

30. If questions 28 or 29 are yes, is this location in a sensitive area (Rule 901.e)?     Yes     No

31. Mud disposal:     Offsite     Onsite                      **If 28, 29, or 30 are "Yes" a pit permit may be required.**

Method:     Land Farming     Land Spreading     Disposal Facility    Other: \_\_\_\_\_

Note: The use of an earthen pit for Recompletion fluids requires a pit permit (Rule 905b). If air/gas drilling, notify local fire officials.

Casing Type	Size of Hole	Size of Casing	Wt/Ft	Csg/Liner Top	Setting Depth	Sacks Cmt	Cmt Btm	Cmt Top
CONDUCTOR	20	16	55	0	60	60	60	0
SURF	13+1/2	10+3/4	40.5	0	1,500	545	1,500	0
1ST	9+7/8	7+5/8	29.7	0	9,405	940	9,405	3,000
2ND	6+3/4	4+1/2	13.5	0	19,626	1,285	19,626	7,400

32. BOP Equipment Type:     Annular Preventer     Double Ram     Rotating Head     None

33. Comments    Proposed Spacing Unit: Sec. 6: lots 8-10, 12-23: NE4NW4, S2NW4, SW4, E2. Sec. 7: Lots 5-15; N2, NE4SW4, N2NSE4. 2nd string will be tapered, 5-1/2" 20 lb/ft from 0' - 9300' and 4-1/2" 13.5 lb/ft from 9300' - 19626'.

34. Location ID: \_\_\_\_\_

35. Is this application in a Comprehensive Drilling Plan ?     Yes                       No

36. Is this application part of submitted Oil and Gas Location Assessment ?     Yes                       No

I hereby certify all statements made in this form are, to the best of my knowledge, true, correct, and complete.

Signed: \_\_\_\_\_                      Print Name: Lisa Smith

Title: Agent for Axia                      Date: 3/30/2012                      Email: lspermitco@aol.com

Operator must have a valid water right or permit allowing for industrial use or purchased water from a seller that has a valid water right or permit allowing for industrial use, otherwise an application for a change in type of use is required under Colorado law. Operator must also use the water in the location set forth in the water right decree or well permit, otherwise an application for a change in place of use is required under Colorado law. Section 37-92-103(5), C.R.S. (2011).

Based on the information provided herein, this Application for Permit-to-Drill complies with COGCC Rules and applicable orders and is hereby approved.

COGCC Approved:                       Director of COGCC                      Date: 6/8/2012

**API NUMBER**  
 05 081 07730 01

Permit Number: \_\_\_\_\_                      Expiration Date: 6/7/2014

**CONDITIONS OF APPROVAL, IF ANY:**  
 \_\_\_\_\_

**All representations, stipulations and conditions of approval stated in the Form 2A for this location shall constitute representations, stipulations and conditions of approval for this Form 2 Permit-to-Drill and are enforceable to the same extent as all other representations, stipulations and conditions of approval stated in this Permit-to-Drill.**

Before placing oil/salt based muds in a pit, operator must file and receive prior approval of a Pit Permit, Form 15. COGCC regulations regarding pit permits can be found in Rule 903.a.(3). PIT PERMITTING/REPORTING REQUIREMENTS.

1) COMPLIANCE WITH THE MOST CURRENT REVISION OF THE NORTHWEST COLORADO NOTIFICATION POLICY IS REQUIRED.

2) PROVIDE CEMENT COVERAGE FROM THE 1ST STRING CASING SHOE TO A MINIMUM OF 200' ABOVE TOP OF GAS [OR OTHER SHALLOWEST-KNOWN PRODUCING HORIZON]. VERIFY CEMENT WITH A CEMENT BOND LOG.

3) 2ND CASING STRING CEMENT TOP VERIFICATION BY CBL REQUIRED.

4) THE PROPOSED SURFACE CASING IS MORE THAN 50' BELOW THE DEPTH OF THE DEEPEST WATER WELL WITHIN 1 MILE OF THE SURFACE LOCATION WHEN CORRECTED FOR ELEVATION DIFFERENCES. THE DEEPEST WATER WELL WITHIN 1 MILE IS 430 FEET DEEP.

### **Attachment Check List**

Att Doc Num	Name
1533179	UNIT CONFIGURATION MAP
400265388	FORM 2 SUBMITTED
400265969	WELL LOCATION PLAT
400265982	DEVIATED DRILLING PLAN
400267598	OIL & GAS LEASE
400267599	OIL & GAS LEASE

Total Attach: 6 Files

### **General Comments**

<b><u>User Group</u></b>	<b><u>Comment</u></b>	<b><u>Comment Date</u></b>
Permit	Off Hold--Spacing Order 540-4 for unit designation approved 5/12. Pooling Order 540-10 approved 5/12. Unit designation: Sec 6: Lots 8-10, 12-23 and Sec 7: Lots 5-15. Attached unit boundary map. Shortest distance from wellbore to unit boundary is 600' at BHL. LGD & pub. comments waived. Final Review--passed.	3/1/2012 1:02:06 PM
Permit	on hold pending May hearing on application for unit and pooling. questions on distance to nearest min. lease (0'?). Lease description pertains to lands in May application for spacing and pooling. Attached lease includes only Lots 8-9, 14-17, 22-23.	4/10/2012 11:21:18 AM
Permit	Operator corrected surface and minerals information. This form has passed completeness.	4/3/2012 6:41:17 AM
Permit	Returned to draft. missing surface and minerals information.	4/2/2012 8:07:22 AM

Total: 4 comment(s)

### **BMP**

<b><u>Type</u></b>	<b><u>Comment</u></b>

Total: 0 comment(s)