

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

IN THE MATTER OF THE APPLICATION OF AXIA ) CAUSE NO. 540  
ENERGY, LLC FOR AN ORDER TO POOL ALL )  
INTERESTS IN APPROXIMATE 2280-ACRE UNIT ) DOCKET NO. 1303-UP-54  
IN SECTIONS 27, 28, 33 AND 34 TOWNSHIP 8 )  
NORTH, RANGE 91 WEST, 6<sup>TH</sup> P.M., UNNAMED )  
FIELD, MANCOS AND NIOBRARA FORMATIONS, )  
MOFFAT COUNTY, COLORADO )

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

Rule 318.a. of the Rules and Regulations of the Oil and Gas Conservation Commission requires that wells drilled in excess of 2,500 feet in depth be located not less than 600 feet from any lease line, and located not less than 1,200 feet from any other producible or drilling oil or gas well when drilling to the same common source of supply. Sections 27, 28, 33, and 34, Township 8 North, Range 91 West, 6<sup>th</sup> P.M. are subject to Rule 318.a for the Mancos and Niobrara Formations.

On January 24, 2013 (amended January 31, 2013), Axia Energy, LLC ("Axia" or "Applicant"), by its attorneys, filed with the Commission pursuant to §34-60-116 C.R.S., a verified application ("Concurrent Application"), Docket No. 1303-SP-41, for an order to, among other things, establish an approximate 2280-acre unit for certain lands in Sections 27, 28, 33, and 34, Township 8 North, Range 91 West, 6<sup>th</sup> P.M., and the appropriate number of wells in order to efficiently and economically recover the oil, gas and associated hydrocarbons from the proposed unit, for the production of oil, gas and associated hydrocarbons from the Mancos and Niobrara Formations.

On January 24, 2013 (amended January 31, 2013), Axia, by its attorneys, filed with the Commission pursuant to § 34-60-116 C.R.S., a verified application ("Application") for an order to pool all interests in an approximate 2280-acre unit established for the below-described lands ("Application Lands"), for the development and operation of the Mancos and Niobrara Formations, effective as of the earlier of the original filing date of the Application, or the date that any of the costs specified in C.R.S. §34-60-116(7)(b)(II) were first incurred for the drilling of the Bulldog EDSU 27-41H-891 Well ("Well"), or any subsequent well drilled in the unit, and to subject any nonconsenting interests to the cost recovery provisions of C.R.S. §34-60-116(7):

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

Section 27: All

Section 28: N<sup>1</sup>/<sub>2</sub>, NE<sup>1</sup>/<sub>4</sub> SW<sup>1</sup>/<sub>4</sub>, S<sup>1</sup>/<sub>2</sub> SW<sup>1</sup>/<sub>4</sub>, SE<sup>1</sup>/<sub>4</sub>

Section 33: N<sup>1</sup>/<sub>2</sub>, N<sup>1</sup>/<sub>2</sub> S<sup>1</sup>/<sub>2</sub>

Section 34: N<sup>1</sup>/<sub>2</sub>, N<sup>1</sup>/<sub>2</sub> S<sup>1</sup>/<sub>2</sub>, S<sup>1</sup>/<sub>2</sub> SE<sup>1</sup>/<sub>4</sub>

NOTICE IS HEREBY GIVEN, pursuant to: 1) the general jurisdiction granted to the Oil and Gas Conservation Commission of the State of Colorado (Commission) under §34-60-105 C.R.S.; 2) specific powers granted pursuant to §34-60-106 C.R.S.; 3) the State Administrative Procedure Act at §24-4-105 C.R.S.; and 4) the Commission's Series 500 Rules at 2CCR 404-1, that the Commission has scheduled the above-entitled matter for hearing on:

Date: Monday, March 25, 2013  
Tuesday, March 26, 2013

Time: 9:00 a.m.

Place: Colorado Oil and Gas Conservation Commission  
1120 Lincoln Street, Suite 801  
Denver, Colorado 80203

In accordance with the Americans with Disabilities Act, if any party requires special accommodations as a result of a disability for this hearing, please contact Margaret Humecki at (303) 894-2100 ext. 5139, prior to the hearing and arrangements will be made.

Pursuant to said hearing in the above-entitled matter at the time and place aforesaid, or at any adjourned meeting, the Commission will enter such orders as it deems appropriate to protect the health, safety and welfare of the public and to prevent the waste of oil and gas, either or both, in the operations of said field, and to carry out the purposes of the statute.

**In accordance with Rule 509., any interested party desiring to protest the granting of the application or to intervene on the application should file with the Commission a written protest or intervention no later than March 11, 2013, briefly stating the basis of the protest or intervention.** Such interested party shall, at the same time, serve a copy of the protest or intervention to the person filing the application. An original and 13 copies shall be filed with the Commission. **Anyone who files a protest or intervention must be able to participate in a prehearing conference during the week of March 11, 2013.** Pursuant to Rule 503.g., if a party who has received notice under Rule 503.b. wishes to receive further pleadings in the above-referenced matter, that party must file a protest or intervention in accordance with these rules. In accordance with the practices of the Commission, should no protests or interventions be filed in this matter by **March 11, 2013, the Applicant may request that an administrative hearing be scheduled during the week of March 11, 2013.** In the alternative, pursuant to Rule 511., if the matter is uncontested, the applicant may request, and the Director may recommend approval on the basis of the merits of the verified application and the supporting exhibits.

OIL AND GAS CONSERVATION COMMISSION  
OF THE STATE OF COLORADO

By   
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Robert J. Frick, Secretary

Dated: March 4, 2013

Colorado Oil and Gas Conservation  
Commission  
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