

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 WITHIN AN APPROXIMATE 2592.58-) DOCKET NO. 1309-UP-198
ACRE UNCONVENTIONAL RESOURCE UNIT IN)
SECTIONS 23, 24, 25 AND 26, TOWNSHIP 7)
NORTH, RANGE 90 WEST, 6TH P.M., FOR THE)
MANCOS AND NIOBRARA FORMATIONS,)
UNNAMED FIELD, 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 23, 24, 25 and 26, Township 7 North, Range 90 West, 6th P.M. are subject to Rule 318.a. for the Mancos and Niobrara Formations.

On July 18, 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. 1309-SP-1184, for an order to establish an approximate 2592.58-acre unconventional resource unit for Sections 23, 24, 25 and 26, Township 7 North, Range 90 West, 6th P.M. and approve the appropriate number of vertical, directional or horizontal 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 July 18, 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 2592.58-acre unconventional resource 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 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 23-31H-790 Well, the Bulldog 23-41H-790 Well ("Wells") and the six subsequent wells drilled within the unit, and to subject any nonconsenting interests to the cost recovery provisions of C.R.S. §34-60-116(7):

Township 7 North, Range 90 West, 6th P.M.
Section 23: All (Lots 1-16)
Section 24: All (Lots 1-16)
Section 25: All (Lots 1-8, S $\frac{1}{2}$)
Section 26: All (Lots 1-13, SE $\frac{1}{4}$ SW $\frac{1}{4}$, S $\frac{1}{2}$ SE $\frac{1}{4}$)

NOTICE IS HEREBY GIVEN, pursuant to: 1) the general jurisdiction granted to the Oil and Gas Conservation Commission of the State of Colorado under §34-60-105 C.R.S.; 2) specific powers granted pursuant to §34-60-106 C.R.S.; 3) the State Administrative Procedures

Act at §24-4-105 C.R.S.; and 4) the Commission's Series 500 Rules at 2 CCR 404-1, that the Commission has scheduled the above-entitled matter for hearing on:

Date: Monday, October 28, 2013
Tuesday, October 29, 2013

Time: 9:00 a.m.

Place: Limon Community Center
477 D Avenue
Limon, CO 80826

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 October 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. One electronic (cogcc.hearings_unit@state.co.us), one original and two 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 October 15, 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 **October 15, 2013, the Applicant may request that an administrative hearing be scheduled beginning October 15, 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  _____
Robert J. Frick, Secretary

Dated: October 7, 2013

Colorado Oil and Gas Conservation Commission
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