

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

IN THE MATTER OF THE PROMULGATION AND	)	CAUSE NO. 540
ESTABLISHMENT OF FIELD RULES TO GOVERN	)	
OPERATIONS IN AN UNNAMED FIELD,	)	DOCKET NO. 1205-UP-140
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 6 and 7, Township 7 North, Range 89 West, 6th P.M. are unspaced as to the Mancos and Niobrara Formations, and are therefore subject to Rule 318.a.

On March 30, 2012, 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. 1205-SP-58, seeking to, among other things, establish an approximate 1272.61-acre exploratory drilling and spacing unit for certain lands in Sections 6 and 7, Township 7 North, Range 89 West, 6th P.M., and authorize one or more horizontal wells within the unit, for the production of oil, gas and associated hydrocarbons from the Mancos and Niobrara Formations.

On March 30, 2012, 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 1272.61-acre exploratory drilling and spacing unit, including the currently-proposed Well and all subsequent wells, 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 7-14H-789 Well, and to subject any nonconsenting interests to the cost recovery provisions of C.R.S. § 34-60-116(7):

Township 7 North, Range 89 West, 6th P.M.
Section 6: Lots 8-23; a/d/a ALL
Section 7: Lots 5-20; a/d/a ALL

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 Colorado Administrative Procedures 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: Tuesday, May 29, 2012
Wednesday, May 30, 2012

Time: 9:00 a.m.

Place: COGCC Offices
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.

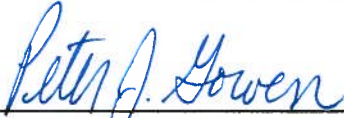
Pursuant to said hearing in the above-entitled matter at the time and place aforesaid, or at any adjourned meeting, the Commission will enter such orders as it deems appropriate to protect the health, safety and welfare of the public and to prevent the waste of oil and gas, either or both, in the operations 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 May 14, 2012, 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 May 14, 2012.** 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 **May 14, 2012, the Applicant may request that an administrative hearing be scheduled beginning May 14, 2012.** 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.

IN THE NAME OF THE STATE OF COLORADO

OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF COLORADO

By 
Peter J. Gowen, Acting Secretary

Dated at Suite 801
1120 Lincoln Street
Denver, Colorado 80203
April 20, 2012

Attorneys for Axia:
Jamie L. Jost
Dante E. Tomassoni
Beatty & Wozniak, P.C.
216 16th Street, Suite 1100
Denver, Colorado 80202
(303) 407-4499