



February 24, 2014

Mr. Steve Ficklin
BLM – CO River Valley FO
2300 River Frontage Road
Silt, CO 81652

Re: Request for Lease Suspension
COC-66723
Township 8 South, Range 92 West
Section 35: All
Section 36: All
Containing 1280.00 acres, more or less,
Mesa County, Colorado

Dear Mr. Ficklin:

Per our recent phone conversations, Axia Energy, LLC (“Axia”) respectfully requests that a suspension be granted on the captioned lease effective February 1, 2014. As you are aware, Axia and Oxy USA Inc. have entered into a farmout agreement allowing Axia to drill, complete and operate wells on the above described lease and lands (“the Lease”).

Axia has been having continuous dialogue and correspondence with your office regarding the permitting and drilling of Axia’s Hells Gulch Federal 35-03A well. Concurrent with complying to additional information required to process the APD, an onsite inspection cannot be scheduled any earlier than May 1, 2014. We feel that it will not be possible for the BLM to issue a drilling permit prior to the expiration of the Lease, nor will it be possible for Axia to contract a drilling rig, prepare the location, comply with any timing restrictions, plus drill the well prior to the May 31, 2014 lease expiration date.

Thank you in advance for considering our request. Please don’t hesitate to contact me should you have any questions or require additional information. My email address is tmcginley@axiaenergy.com and my direct telephone number is 720-746-5210.

Sincerely,

AXIA ENERGY, LLC

By: 

Tab McGinley
Vice President of Land

Cc: Kimberly Evans, Oxy USA Inc.

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