

FORM INSP
Rev 05/11

**State of Colorado
Oil and Gas Conservation Commission**

1120 Lincoln Street, Suite 801, Denver, Colorado 80203 Phone: (303) 894-2100 Fax: (303) 894-2109



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Inspection Date:
02/21/2013

Document Number:
669300367

Overall Inspection:
Satisfactory

FIELD INSPECTION FORM

Location Identifier	Facility ID	Loc ID	Tracking Type	Inspector Name: <u>NEIDEL, KRIS</u>
	<u>429115</u>	<u>429116</u>		

Operator Information:

OGCC Operator Number: <u>10335</u>	Name of Operator: <u>AXIA ENERGY LLC</u>
Address: <u>1430 LARIMER STREET #400</u>	
City: <u>DENVER</u>	State: <u>CO</u> Zip: <u>80202</u>

Contact Information:

Contact Name	Phone	Email	Comment
Jess, Peonio	720-746-5200	jpeonio@axiaenergy.com	

Compliance Summary:

QtrQtr: <u>SWNW</u>	Sec: <u>20</u>	Twp: <u>8N</u>	Range: <u>92W</u>				
Insp. Date	Doc Num	Insp. Type	Insp Status	Satisfactory /Unsatisfactory	PA P/F/I	Pas/Fail (P/F)	Violation (Y/N)
01/08/2013	669300308	DG	PR	U	I		N

Inspector Comment:

tank vent, free product knock out hatch has been closed. tanks are venting to combustor. Combustor is not lit, there is pressure on the source gas to combustor valve on source line is open. inspector can hear gas escaping from combustor. Location is still in unsatisfactory state because combustor is not burning. Equipment on location should be operational.

Related Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name
429115	WELL	DG	07/21/2012		081-07729	Bulldog 20-12H-892 <input checked="" type="checkbox"/>

Equipment:

Location Inventory

Special Purpose Pits: _____	Drilling Pits: <u>1</u>	Wells: <u>1</u>	Production Pits: _____
Condensate Tanks: _____	Water Tanks: <u>3</u>	Separators: <u>1</u>	Electric Motors: _____
Gas or Diesel Mortors: _____	Cavity Pumps: _____	LACT Unit: _____	Pump Jacks: _____
Electric Generators: _____	Gas Pipeline: <u>1</u>	Oil Pipeline: _____	Water Pipeline: <u>1</u>
Gas Compressors: _____	VOC Combustor: _____	Oil Tanks: <u>5</u>	Dehydrator Units: _____
Multi-Well Pits: _____	Pigging Station: _____	Flare: _____	Fuel Tanks: _____

Location

Signs/Marker:

Type	Satisfactory/Unsatisfactory	Comment	Corrective Action	CA Date
BATTERY	Satisfactory			
WELLHEAD	Satisfactory			
TANK LABELS/PLACARDS	Satisfactory			

Emergency Contact Number: (S/U/V) Satisfactory

Corrective Date: _____

Inspector Name: NEIDEL, KRIS

Comment: at location and tanks.

Corrective Action:

Good Housekeeping:

Type	Satisfactory/Unsatisfactory	Comment	Corrective Action	CA Date
DEBRIS	Unsatisfactory	some plastic (on westside of pad) and sand near combustor.	snow on location, operator should remove debris after snowmelt. the intent of this delayed CA is to allow the operator to properly assess and remove debris properly rather than to do it peicewise.	05/01/2013

Spills:

Type	Area	Volume	Corrective action	CA Date
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Multiple Spills and Releases?

Equipment:

Type	#	Satisfactory/Unsatisfactory	Comment	Corrective Action	CA Date
Dehydrator	1	Satisfactory			
Bird Protectors	4	Satisfactory			
FWKO	1	Satisfactory	on tank vents, hatch closed.		
Gas Meter Run	1	Satisfactory			
Ancillary equipment	1	Satisfactory	line heater.		
Compressor	1	Satisfactory	in shead		
Horizontal Heated Separator	1	Unsatisfactory	not bermed.	separators (containing hydrocarbon)are considered a tank and should have 2nd containment.	05/01/2013

Facilities:

New Tank

Tank ID: _____

Contents	#	Capacity	Type	SE GPS
CRUDE OIL	2	500 BBLS	HEATED STEEL AST	,

S/U/V: Satisfactory Comment:

Corrective Action:

Corrective Date:

Paint

Condition Adequate

Other (Content) _____

Other (Capacity) _____

Other (Type) _____

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Metal	Adequate	Walls Sufficient	Base Sufficient	Adequate

Corrective Action _____ Corrective Date _____

Comment _____

Group	User	Comment	Date
OGLA	kubeczko	<p>SITE SPECIFIC COAs:</p> <p>A closed loop system must be implemented during drilling (which operator has indicated on the Form 2A); or, if a drilling pit is constructed, it must be lined. All cuttings generated during drilling with oil based muds or high chloride/TDS mud must be kept in the lined drilling pit, or placed either in containers or on a lined/bermed portion of the well pad; prior to offsite disposal. The moisture content of any drill cuttings in a cuttings pit, trench, or pile shall be as low as practicable to prevent accumulation of liquids greater than de minimis amounts.</p> <p>Operator must ensure 110 percent secondary containment for any volume of fluids (excluding freshwater) contained at well site during drilling and completion operations; including, but not limited to, construction of a berm or diversion dike, diversion/collection trenches within and/or outside of berms/dikes, site grading, or other comparable measures (i.e., best management practices (BMPs) associated with stormwater management) sufficiently protective of nearby surface water. Any berm constructed at the well pad location will be stabilized, inspected at regular intervals (at least every 14 days), and maintained in good condition.</p> <p>Operator must implement best management practices to contain any unintentional release of fluids, including any fluids conveyed via buried or temporary surface pipelines.</p> <p>The access road will be constructed as to not allow any sediment to migrate from the access road to nearby surface water or any drainages leading to surface water.</p> <p>The location is in an area of moderate to high run off/run-on potential; therefore the pad shall be constructed to prevent any stormwater run-on and/or stormwater runoff. Standard stormwater BMPs must be implemented at this location to insure compliance with CDPHE and COGCC requirements and to prevent any stormwater run-on and /or stormwater runoff.</p> <p>The moisture content of any freshwater generated drill cuttings in a cuttings pit, trench, or pile shall be as low as practicable to prevent accumulation of liquids greater than de minimis amounts. At the time of closure, if the freshwater generated drill cuttings are to be onsite, they must also meet the applicable standards of table 910-1.</p> <p>Any pit constructed to hold oil based muds or salt based fluids and/or cuttings must be lined.</p> <p>For pits containing fluids other than freshwater only; the pit must be fenced. If the pit is not drained, or closure has not begun within 30 days after last use for well completion, the pit must be netted. The operator must maintain the fencing and netting until the pit is closed.</p> <p>Pits used exclusively for drilling shall be closed in accordance with the 1000-Series Rules. Any pit(s) used for purposes other than drilling shall be closed in accordance with Rule 905. Closure of Pits, and Buried or Partially Buried Produced Water Vessels; with an approved Site Investigation and Remediation Workplan, Form 27.</p> <p>Notify COGCC Oil and Gas Location Assessment (OGLA) Specialist for Western Colorado (Dave Kubeczko; email dave.kubeczko@state.co.us) and the COGCC Field Inspection Supervisor for Northwest Colorado (Shaun Kellerby; email shaun.kellerby@state.co.us) 48 hours prior to start of construction of the well pad, start of construction of the pit (if different), pit liner installation, and start of fracing operations (via Form 42).</p>	04/30/2012
Permit	westerdb	<p>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.</p>	05/01/2012

Comment: _____

CA: _____

Date: _____

Wildlife BMPs:

BMP Type	Comment
Wildlife	1)Conduct oil and gas development activities outside the time period from December 1 through April 15 to minimize disturbance to Elk in their winter concentration area. 2)Restrict post-development well site visitations to between the hours of 10:00 a.m. and 3:00 p.m. and reduce well site visitations between December 1 and April 15 in elk winter range. 3)Establish company guidelines (policies) to minimize wildlife mortality from vehicle collisions on roads (post speed limits on private roads, conduct safety training, etc). 4)Gate single-purpose roads and restrict general public access to reduce traffic disruptions to wildlife if applicable on private roads. 5)Fence and net pits to exclude wildlife, with wildlife appropriate fencing and netting materials. 6)Muffle sound from compressors, pump jacks or other motors necessary to run operations at the site.(If mufflers are used, point upward to dissipate sound and vibration.) 7)Close and immediately reclaim all roads that are redundant, not used regularly, or have been abandoned to the maximum extent possible to minimize disturbance and habitat fragmentation. 8)Reclaim site (interim and final) to match existing vegetation.

Comment: _____

CA: _____

Date: _____

Stormwater:

Erosion BMPs	Present	Other BMPs	Present

Corrective Action: _____ Date: _____

Comments: Erosion BMPs: _____

Other BMPs: _____

Comment: _____

Staking:

On Site Inspection (305):

Surface Owner Contact Information:

Name: _____ Address: _____

Phone Number: _____ Cell Phone: _____

Operator Rep. Contact Information:

Landman Name: _____ Phone Number: _____

Date Onsite Request Received: _____ Date of Rule 306 Consultation: _____

Request LGD Attendance: _____

LGD Contact Information:

Name: _____ Phone Number: _____ Agreed to Attend: _____

Summary of Landowner Issues:

Summary of Operator Response to Landowner Issues:

Onsite Inspection Memorandum Summarizing Discussions at Inspection as Attachment:

Facility

Facility ID: 429115 Type: WELL API Number: 081-07729 Status: DG Insp. Status: PR

Producing Well

Comment: well producing.

Environmental

Spills/Releases:

Type of Spill: Description: Estimated Spill Volume: Comment: Corrective Action: Date: Reportable: GPS: Lat Long Proximity to Surface Water: Depth to Ground Water:

Water Well:

DWR Receipt Num: Owner Name: GPS: Lat Long

Field Parameters:

Sample Location:

Emission Control Burner (ECB): Comment: Pilot: Wildlife Protection Devices (fired vessels):

Reclamation - Storm Water - Pit

Interim Reclamation:

Date Interim Reclamation Started: Date Interim Reclamation Completed: Land Use: RANGELAND Comment: 1003a. Debris removed? CM CA Waste Material Onsite? CM CA Unused or unneeded equipment onsite? CM CA Pit, cellars, rat holes and other bores closed? CM CA Guy line anchors removed? CM CA Guy line anchors marked? CM CA

1003b. Area no longer in use? _____ Production areas stabilized ? _____
 1003c. Compacted areas have been cross ripped? _____
 1003d. Drilling pit closed? _____ Subsidence over on drill pit? _____
 Cuttings management: _____
 1003e. Areas no longer needed for drilling or subsequent operations for have been re-vegetated to 80% of pre-existing? _____
 Production areas have been stabilized? _____ Segregated soils have been replaced? _____

RESTORATION AND REVEGETATION

Cropland

Top soil replaced _____ Recontoured _____ Perennial forage re-established _____

Non-Cropland

Top soil replaced _____ Recontoured _____ 80% Revegetation _____

1003 f. Weeds Noxious weeds? _____

Comment:

Overall Interim Reclamation _____ Fail _____

Final Reclamation/ Abandoned Location:

Date Final Reclamation Started: _____ Date Final Reclamation Completed: _____

Final Land Use: RANGELAND

Reminder: _____

Comment:

Well plugged _____ Pit mouse/rat holes, cellars backfilled _____

Debris removed _____ No disturbance /Location never built _____

Access Roads Regraded _____ Contoured _____ Culverts removed _____

Gravel removed _____

Location and associated production facilities reclaimed _____ Locations, facilities, roads, recontoured _____

Compaction alleviation _____ Dust and erosion control _____

Non cropland: Revegetated 80% _____ Cropland: perennial forage _____

Weeds present _____ Subsidence _____

Comment:

Corrective Action: Date _____

Overall Final Reclamation _____ Multi-Well Location

Storm Water:

Loc Erosion BMPs	BMP Maintenance	Lease Road Erosion BMPs	Lease BMP Maintenance	Chemical BMPs	Chemical BMP Maintenance	Comment

S/U/V: _____ Corrective Date: _____

Comment:

CA: