

FORM  
2A

Rev  
04/01

State of Colorado  
Oil and Gas Conservation Commission

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



Document Number:

400432744

Date Received:

07/20/2013

Oil and Gas Location Assessment

☒ New Location ☐ Amend Existing Location Location#: \_\_\_\_\_

Submit original plus one copy. This form is to be submitted to the COGCC prior to any ground disturbance activity associated with oil and gas development operations. This Assessment may be approved as a standalone application or submitted as an informational report accompanying an Application for Permit-To-Drill, Form 2. Approval of this Assessment will allow for the construction of the below specified location; however, it does not supersede any land use rules applied by the local land use authority. This form may serve as notice to land owners and other interested parties, please see the COGCC web site at <http://colorado.gov/cogcc/> for all accompanying information pertinent to this Oil and Gas Location Assessment.

Location ID:

**436037**

Expiration Date:

**02/07/2017**

☒ This location assessment is included as part of a permit application.

1. CONSULTATION

- ☐ This location is included in a Comprehensive Drilling Plan. CDP # \_\_\_\_\_
- ☒ This location is in a sensitive wildlife habitat area.
- ☐ This location is in a wildlife restricted surface occupancy area.
- ☐ This location includes a Rule 306.d.(1)A.ii. variance request.

2. Operator

Operator Number: 10335

Name: AXIA ENERGY LLC

Address: 1430 LARIMER STREET #400

City: DENVER State: CO Zip: 80202

3. Contact Information

Name: Lisa Smith

Phone: (303) 857-9999

Fax: (303) 450-9200

email: Lisa@permitco-usa.com

4. Location Identification:

Name: Bulldog Number: 2-33H-791

County: MOFFAT

QuarterQuarter: LOT 13 Section: 2 Township: 7N Range: 91W Meridian: 6 Ground Elevation: 6625

Define a single point as a location reference for the facility location. This point should be used as the point of measurement in the drawings to be submitted with this application. When the location is to be used as a well site then the point shall be a well location.

Footage at surface: 2283 feet FSL, from North or South section line, and 1175 feet FEL, from East or West section line.

Latitude: 40.592886 Longitude: -107.566884 PDOP Reading: 1.3 Date of Measurement: 01/17/2013

Instrument Operator's Name: Glen McElroy

5. Facilities (Indicate the number of each type of oil and gas facility planned on location):

Special Purpose Pits: <input type="text"/>	Drilling Pits: <input type="text" value="1"/>	Wells: <input type="text" value="2"/>	Production Pits: <input type="text"/>	Dehydrator Units: <input type="text" value="1"/>
Condensate Tanks: <input type="text" value="5"/>	Water Tanks: <input type="text" value="3"/>	Separators: <input type="text" value="2"/>	Electric Motors: <input type="text"/>	Multi-Well Pits: <input type="text"/>
Gas or Diesel Motors: <input type="text"/>	Cavity Pumps: <input type="text"/>	LACT Unit: <input type="text"/>	Pump Jacks: <input type="text"/>	Pigging Station: <input type="text"/>
Electric Generators: <input type="text"/>	Gas Pipeline: <input type="text" value="1"/>	Oil Pipeline: <input type="text"/>	Water Pipeline: <input type="text" value="1"/>	Flare: <input type="text"/>
Gas Compressors: <input type="text" value="1"/>	VOC Combustor: <input type="text" value="1"/>	Oil Tanks: <input type="text"/>	Fuel Tanks: <input type="text"/>	

Other: \_\_\_\_\_

6. Construction:

Date planned to commence construction: 10/01/2013 Size of disturbed area during construction in acres: 4.84  
 Estimated date that interim reclamation will begin: 08/01/2014 Size of location after interim reclamation in acres: 1.40  
 Estimated post-construction ground elevation: 6622 Will a closed loop system be used for drilling fluids: Yes ☒  
 Will salt sections be encountered during drilling: Yes ☐ No ☒ Is H2S anticipated? Yes ☐ No ☒  
 Will salt (>15,000 ppm TDS Cl) or oil based muds be used: Yes ☒ No ☐  
 Mud disposal: Offsite ☒ Onsite ☐ Method: Land Farming ☐ Land Spreading ☐ Disposal Facility ☒  
 Other: \_\_\_\_\_

## 7. Surface Owner:

Name: Smith Rancho Land & Lives Phone: 970-629-1184  
 Address: PO Box 215 Fax: \_\_\_\_\_  
 Address: \_\_\_\_\_ Email: \_\_\_\_\_  
 City: Craig State: CO Zip: 81625 Date of Rule 306 surface owner consultation: 03/06/2013  
 Surface Owner: ☒ Fee ☐ State ☐ Federal ☐ Indian  
 Mineral Owner: ☒ Fee ☐ State ☐ Federal ☐ Indian  
 The surface owner is: ☒ the mineral owner ☐ committed to an oil and gas lease  
☐ is the executer of the oil and gas lease ☐ the applicant  
 The right to construct the location is granted by: ☐ oil and gas lease ☒ Surface Use Agreement ☐ Right of Way  
☐ applicant is owner  
 Surface damage assurance if no agreement is in place: ☐ \$2000 ☐ \$5000 ☐ Blanket Surety ID \_\_\_\_\_

## 8. Reclamation Financial Assurance:

☒ Well Surety ID: 20100084 ☐ Gas Facility Surety ID: \_\_\_\_\_ ☐ Waste Mgmt. Surety ID: \_\_\_\_\_

## 9. Cultural:

Is the location in a high density area (Rule 603.b.): Yes ☐ No ☒  
 Distance, in feet, to nearest building: 3705, public road: 345, above ground utility: 3705,  
 railroad: 5280, property line: 2978

## 10. Current Land Use (Check all that apply):

Crop Land: ☐ Irrigated ☐ Dry land ☐ Improved Pasture ☐ Hay Meadow ☐ CRP  
 Non-Crop Land: ☒ Rangeland ☐ Timber ☐ Recreational ☐ Other (describe): \_\_\_\_\_  
 Subdivided: ☐ Industrial ☐ Commercial ☐ Residential

## 11. Future Land Use (Check all that apply):

Crop Land: ☐ Irrigated ☐ Dry land ☐ Improved Pasture ☐ Hay Meadow ☐ CRP  
 Non-Crop Land: ☒ Rangeland ☐ Timber ☐ Recreational ☐ Other (describe): \_\_\_\_\_  
 Subdivided: ☐ Industrial ☐ Commercial ☐ Residential

## 12. Soils:

List all soil map units that occur within the proposed location. Attach the National Resource Conservation Service (NRCS) report showing the "Map Unit Description" report listing the soil typical vertical profile. This data is to used when segregating topsoil.

The required information can be obtained from the NRCS web site at <http://soildatamart.nrcs.usda.gov/> or from the COGCC web site GIS Online map page found at <http://colorado.gov/cogcc>. Instructions are provided within the COGCC web site help section.

NRCS Map Unit Name: 81. Forelle-Obadia complex, 1 to 8 percent slopes.

NRCS Map Unit Name: 107. Ironsprings-Maysprings-Gretdivid complex, 10 to 20 percent slopes.

NRCS Map Unit Name:

### 13. Plant Community:

Complete this section only if any portion of the disturbed area of the location's current land use is on non-crop land.

Are noxious weeds present: Yes ☐ No ☒

Plant species from: ☐ NRCS or, ☒ field observation Date of observation: 07/01/2013

List individual species: \_\_\_\_\_

Check all plant communities that exist in the disturbed area.

- ☐ Disturbed Grassland (Cactus, Yucca, Cheatgrass, Rye)  
☐ Native Grassland (Bluestem, Grama, Wheatgrass, Buffalograss, Fescue, Oatgrass, Brome)  
☒ Shrub Land (Mahogany, Oak, Sage, Serviceberry, Chokecherry)  
☐ Plains Riparian (Cottonwood, Willow, Aspen, Maple, Poplar, Russian Olive, Tamarisk)  
☐ Mountain Riparian (Cottonwood, Willow, Blue Spruce)  
☐ Forest Land (Spruce, Fir, Ponderosa Pine, Lodgepole Pine, Juniper, Pinyon, Aspen)  
☐ Wetlands Aquatic (Bullrush, Sedge, Cattail, Arrowhead)  
☐ Alpine (above timberline)  
☐ Other (describe): \_\_\_\_\_

### 14. Water Resources:

Rule 901.e. may require a sensitive area determination be performed. If this determination is performed the data is to be submitted with the Form 2A.

Is this a sensitive area: ☐ No ☒ Yes Was a Rule 901.e. Sensitive Areas Determination performed: ☒ No ☐ Yes

Distance (in feet) to nearest surface water: 369, water well: 4364, depth to ground water: 220

Is the location in a riparian area: ☒ No ☐ Yes Was an Army Corps of Engineers Section 404 permit filed ☒ No ☐ Yes

Is the location within a Rule 317B Surface Water Supply Area buffer zone:

☒ No ☐ 0-300 ft. zone ☐ 301-500 ft. zone ☐ 501-2640 ft. zone

If the location is within a Rule 317B Surface Water Supply Area buffer have all public water supply systems within 15 miles been notified: ☐ No ☐ Yes

### 15. Comments:

Surface owner, Brad Smith of Smith Rancho has requested that CPW NOT conduct an onsite on his property or place COA's/BMP's on the wellsite. See letter attached.

I hereby certify that the statements made in this form are, to the best of my knowledge, true, correct and complete.

Signed: \_\_\_\_\_ Date: 07/20/2013 Email: Lisa@permitco-usa.com

Print Name: Lisa Smith - PermitCo Title: Authorized Agent for Axia

Based on the information provided herein, this Application for Permit-to-Drill complies with COGCC Rules and applicable orders and is hereby approved.

COGCC Approved:  Director of COGCC Date: 2/8/2014

**CONDITIONS OF  
APPROVAL, IF ANY:**

**All representations, stipulations and conditions of approval stated in this Form 2A for this location shall constitute representations, stipulations and conditions of approval for any and all subsequent operations on the location unless this Form 2A is modified by Sundry Notice, Form 4 or an Amended Form 2A.**

**Description**

**PIPELINE COAs:**

Operator shall pressure test pipelines in accordance with Rule 1101.e.(1) prior to putting into initial service any temporary surface or permanent buried pipelines and following any reconfiguration of the pipeline network. Operator shall notify the 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 testing surface poly or buried steel pipelines.

Operator must implement best management practices to contain any unintentional release of fluids along all portions of the surface pipeline route where temporary pumps and other necessary equipment are located.

Operator must routinely inspect the entire length of the surface pipeline to ensure integrity. Operator shall conduct daily inspections of surface poly pipeline routes for leaks during active transfer of fluids. Inspections shall be conducted by viewing the length of the pipeline; operator will endeavor to minimize surface disturbance during pipeline monitoring. The operator shall maintain records of inspections, findings and repairs, if necessary, for the life of the pipelines.

Operator must ensure 110 percent secondary containment for any potential volume of fluids that may be released from the surface pipeline at all sensitive area crossings, including, but not limited to stream, intermittent stream, ditch, and drainage crossings.

Operator will utilize, to the extent practical, all existing access and other public roads, and/or existing pipeline right-of-ways, when placing/routing the surface pipelines. This will reduce surface disturbance and fragmentation of wildlife habitat in the area.

**GROUNDWATER MONITORING COA:**

Operator shall comply with Rule 609. STATEWIDE GROUNDWATER BASELINE SAMPLING AND MONITORING.

#### GENERAL SITE COAs:

Notify the COGCC 48 hours prior to start of pad construction, rig mobilization, spud, and start of hydraulic stimulation operations using Form 42 (the appropriate COGCC individuals will automatically be email notified, including the LGD for hydraulic stimulation operations).

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.

Reserve pit, or any other pit used to contain/hold fluids, if constructed, must be lined or a closed loop system (which operator has indicated on the form 2A) must be implemented during drilling.

Operator must implement best management practices to contain any unintentional release of fluids, including any fluids conveyed via temporary surface pipelines or buried permanent pipelines.

Operator must ensure secondary containment for any volume of fluids (excluding freshwater, unless stored in a large volume aboveground storage tank [LVT]), 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.

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.

Strategically apply fugitive dust control measures, including enforcing established speed limits on private roads, to reduce fugitive dust and coating of vegetation and deposition in water sources.

If the wells are to be hydraulically stimulated, then flowback and stimulation fluids must be sent to tanks, separators, or other containment/filtering equipment before the fluids can be placed into any pipeline, storage vessel, or lined pit (only if an amended Form 2A has been submitted/approved and a Form 15 Earthen Pit Permitted has been submitted/approved) located on the well pad; or into tanker trucks for offsite disposal. The flowback and stimulation fluid tanks, separators, or other containment/filtering equipment must be placed on the well pad in an area with additional downgradient perimeter berming. The area where flowback fluids will be stored/reused must be constructed to be sufficiently impervious to contain any spilled or released material.

Berms or other containment devices shall be constructed to be sufficiently impervious (preferably corrugated steel with poly liner) to contain any spilled or released material around crude oil, condensate, and produced water storage tanks.

## Attachment Check List

<u>Att Doc Num</u>	<u>Name</u>
2106764	CORRESPONDENCE
400432744	FORM 2A SUBMITTED
400451215	30 DAY NOTICE LETTER
400451216	SURFACE AGRMT/SURETY
400451217	OTHER
400461416	ACCESS ROAD MAP
400461419	CONST. LAYOUT DRAWINGS
400461420	HYDROLOGY MAP
400461421	LOCATION DRAWING
400461424	LOCATION PICTURES
400461429	MULTI-WELL PLAN
400461430	REFERENCE AREA MAP
400461433	REFERENCE AREA PICTURES
400461438	NRCS MAP UNIT DESC
400461439	NRCS MAP UNIT DESC

Total Attach: 15 Files

## General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final review completed. No LGD comments.	2/7/2014 5:18:07 AM
Permit	The second pilot remains in DRAFT, received multi-well plan.	10/24/2013 10:29:55 AM
OGLA	Initiated/Completed OGLA Form 2A review on 09-03-13 by Dave Kubeczko; requested acknowledgement of fluid containment, spill/release BMPs, tank berming, flowback to tanks, sediment control access road, dust control, GW baseline sampling, notification, and cuttings low moisture content and containment COAs from operator on 09-03-13; received acknowledgement of COAs from operator on 09-09-13; changed to sensitive area due to close SW (369') and potential shallow GW (5' bgs); passed by CPW on 08-16-13, surface owner requested no CPW consultation; passed OGLA Form 2A review on 09-23-13 by Dave Kubeczko; fluid containment, spill/release BMPs, tank berming, flowback to tanks, sediment control access road, dust control, GW baseline sampling, notification, pipeline, and cuttings low moisture content and containment COAs.	3/3/2013 1:20:35 PM
DOW	CPW reviewed the submitted COGCC Form 2A for the Axia Bulldog 2-33H-791 well pad location on Smith Rancho Land and Livestock property. The surface owner has requested that CPW not attach BMPs or COAs to the permit and the surface owner does not consent to trespass on his property. CPW respects the landowners request to not access the well pad site and not attach BMPs.  by Michael Warren on Friday, August 16, 2013 at 9:30 AM.	8/16/2013 9:24:31 AM
Permit	Pending other staff approvals. SWH is Elk Winter.	8/6/2013 11:36:25 AM
Permit	Form passes completeness.	3/1/2013 3:32:20 PM
Permit	Returned to DRAFT. No multi-well plan supplied, requested one from operator.	7/22/2013 2:16:55 PM

Total: 7 comment(s)

## **Best Management Practices**

**No** **BMP/COA Type**

**Description**

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