

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



| | | | |
|----|----|----|----|
| DE | ET | OE | ES |
|----|----|----|----|

Inspection Date:
07/22/2014

Document Number:
675200268

Overall Inspection:
SATISFACTORY

FIELD INSPECTION FORM

| | | | | |
|---------------------|---------------|---------------|------------------------|---|
| Location Identifier | Facility ID | Loc ID | Inspector Name: | On-Site Inspection <input type="checkbox"/> |
| | <u>420162</u> | <u>420162</u> | <u>CONKLIN, CURTIS</u> | 2A Doc Num: _____ |

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> |

- THIS IS A FOLLOW UP INSPECTION
- FOLLOW UP INSPECTION REQUIRED
- NO FOLLOW UP INSPECTION REQUIRED
- INSPECTOR REQUESTS FORM 42 WHEN CORRECTIVE ACTIONS ARE COMPLETED

Contact Information:

| Contact Name | Phone | Email | Comment |
|-----------------|--------------|----------------------------|---------------------------|
| Holder, Jerry | 970-261-0218 | jholder@axiaenergy.com | Production Superintendent |
| Kellerby, Shaun | | shuan.kellerby@state.co.us | NW Supervisor |

Compliance Summary:

QtrQtr: SENE Sec: 14 Twp: 9S Range: 95W

Inspector Comment:

Related Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status | |
|-------------|------|--------|-------------|------------|-----------|---------------------------|-------------|-------------------------------------|
| 420153 | WELL | XX | 10/15/2012 | LO | 077-10115 | Kimball Creek 14-413D-995 | ND | <input checked="" type="checkbox"/> |
| 420165 | WELL | XX | 10/15/2012 | LO | 077-10122 | Kimball Creek 14-309D-995 | ND | <input checked="" type="checkbox"/> |
| 420181 | WELL | XX | 10/15/2012 | LO | 077-10123 | Kimball Creek 14-410D-995 | ND | <input checked="" type="checkbox"/> |

Equipment:

Location Inventory

| | | | |
|------------------------------|-------------------------|----------------------|--------------------------|
| Special Purpose Pits: _____ | Drilling Pits: <u>1</u> | Wells: <u>6</u> | Production Pits: _____ |
| Condensate Tanks: <u>2</u> | Water Tanks: <u>2</u> | Separators: <u>2</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>2</u> |
| Gas Compressors: _____ | VOC Combustor: <u>1</u> | Oil Tanks: _____ | Dehydrator Units: _____ |
| Multi-Well Pits: _____ | Pigging Station: _____ | Flare: _____ | Fuel Tanks: _____ |

Location

Emergency Contact Number (S/A/V): _____ Corrective Date: _____

Comment: _____

Corrective Action: _____

Spills: _____

| Type | Area | Volume | Corrective action | CA Date |
|------|------|--------|-------------------|---------|
|------|------|--------|-------------------|---------|

Multiple Spills and Releases?

| | |
|-----------------|---------|
| Venting: | |
| Yes/No | Comment |
| | |

| | | | | |
|-----------------|------------------------------|---------|-------------------|---------|
| Flaring: | | | | |
| Type | Satisfactory/Action Required | Comment | Corrective Action | CA Date |
| | | | | |

Predrill

Location ID: 420162

Site Preparation:

Lease Road Adeq.: _____ Pads: _____ Soil Stockpile: _____

S/A/V: _____

Corrective Action: _____ Date: _____ CDP Num.: _____

Form 2A COAs:

| Group | User | Comment | Date |
|-------|-----------|--|------------|
| OGLA | kubeczkod | Location is in a sensitive area because of proximity to surface water; therefore, operator must ensure 110 percent secondary containment for any volume of fluids 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 sufficiently protective of nearby surface water. | 09/20/2010 |
| OGLA | kubeczkod | Location is in a sensitive area because of shallow groundwater; therefore any pits constructed to hold fluids (i.e., production pit, frac pit, reserve pit) must be lined. | 09/20/2010 |
| OGLA | kubeczkod | Operator must implement best management practices to contain any unintentional release of fluids. | 09/20/2010 |
| OGLA | kubeczkod | Location is in a sensitive area because of shallow groundwater; therefore either a lined drilling pit or closed loop system (which Axia has already indicated on the Form 2A) must be implemented. | 09/20/2010 |

S/A/V: _____ **Comment:** _____

CA: _____ **Date:** _____

Wildlife BMPs:

S/A/V: _____ **Comment:** _____

CA: _____ **Date:** _____

Stormwater:

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: 420153 | Type: WELL | API Number: 077-10115 | Status: XX | Insp. Status: ND |
| Facility ID: 420165 | Type: WELL | API Number: 077-10122 | Status: XX | Insp. Status: ND |
| Facility ID: 420181 | Type: WELL | API Number: 077-10123 | Status: XX | Insp. Status: ND |

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 _____ CA Date _____
 Waste Material Onsite? _____ CM _____
 CA _____ CA Date _____
 Unused or unneeded equipment onsite? _____ CM _____
 CA _____ CA Date _____
 Pit, cellars, rat holes and other bores closed? _____ CM _____
 CA _____ CA Date _____
 Guy line anchors removed? _____ CM _____
 CA _____ CA Date _____
 Guy line anchors marked? _____ CM _____
 CA _____ CA Date _____

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 _____

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 _____

Inspector Name: CONKLIN, CURTIS

Comment:

Corrective Action:

Date

Overall Final Reclamation

Well Release on Active Location

Multi-Well Location

Storm Water:

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

S/A/V: Corrective Date:

Comment:

CA:

Pits: NO SURFACE INDICATION OF PIT

COGCC Comments

| Comment | User | Date |
|-------------------------------------|----------|------------|
| No evidence of wells being drilled. | conklinc | 07/22/2014 |