

**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:

03/03/2014

Document Number:

600000863

Overall Inspection:

Satisfactory**FIELD INSPECTION FORM**

| | | | | | |
|---------------------|-------------|--------|------------------|--------------------|--|
| Location Identifier | Facility ID | Loc ID | Inspector Name: | On-Site Inspection | |
| | 241452 | 333141 | JOHNSON, RANDELL | 2A Doc Num: | |

Operator Information:

OGCC Operator Number:

Name of Operator: FOUNDATION ENERGY MANAGEMENT LLCAddress: 16000 DALLAS PARKWAY #875City: DALLAS State: TX Zip: 75248-

- ☐ 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 |
|---------------------|--------------------|---------------------------------|------------|
| Eisterhold, Rachael | 918-585-1650 X-212 | regulatory@foundationenergy.com | Regulatory |

Compliance Summary:

| QtrQtr: | SES | Sec: | 24 | Twp: | 2N | Range: | 68W |
|------------|-----------|------------|-------------|------------------------------|----------|----------------|-----------------|
| Insp. Date | Doc Num | Insp. Type | Insp Status | Satisfactory /Unsatisfactory | PA P/F/I | Pas/Fail (P/F) | Violation (Y/N) |
| 02/20/2008 | 2053201 | PR | PR | Unsatisfactory | | | No |
| 09/28/2006 | 200098831 | PR | PR | Unsatisfactory | | Fail | No |
| 01/10/2005 | 200064599 | PR | PR | Satisfactory | | Pass | No |
| 07/30/2002 | 200029186 | PR | PR | Satisfactory | | Pass | No |
| 10/18/2000 | 200011134 | PR | PR | Satisfactory | | Pass | No |

Inspector Comment:**Related Facilities:**

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status | |
|-------------|------|--------|-------------|------------|-----------|---------------|-------------|-------------------------------------|
| 239731 | WELL | AL | 10/04/1973 | LO | 123-07519 | WALSH 4 | AL | <input type="checkbox"/> |
| 241452 | WELL | PR | 11/07/2011 | OW | 123-09241 | WALSH 4 | PR | <input checked="" type="checkbox"/> |
| 261327 | WELL | PR | 11/07/2002 | GW | 123-20577 | WALSH 24-24 | PR | <input type="checkbox"/> |

Equipment:**Location Inventory**

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

Location

| | | | | |
|----------------------|-----------------------------|---------|-------------------|---------|
| Signs/Marker: | | | | |
| Type | Satisfactory/Unsatisfactory | Comment | Corrective Action | CA Date |
| WELLHEAD | Satisfactory | | | |

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

Comment: _____

Corrective Action: _____

| | | | | |
|---------------------------|-----------------------------|-------------------|-------------------|------------|
| Good Housekeeping: | | | | |
| Type | Satisfactory/Unsatisfactory | Comment | Corrective Action | CA Date |
| WEEDS | Unsatisfactory | Weeds on location | Remove weeds | 04/03/2014 |

| | | | | |
|----------------|----------|-----------|---|------------|
| Spills: | | | | |
| Type | Area | Volume | Corrective action | CA Date |
| PW/CO | WELLHEAD | <= 5 bbls | Remove or remediate contaminated soil as a result of spills from stuffing box at wellhead | 04/03/2014 |

☐ Multiple Spills and Releases?

| | | | | |
|------------------|-----------------------------|---------------------|-------------------|---------|
| Fencing/: | | | | |
| Type | Satisfactory/Unsatisfactory | Comment | Corrective Action | CA Date |
| PUMP JACK | Satisfactory | Barbed wire fencing | | |

| | | | | | |
|---------------------|---|-----------------------------|--|-------------------|---------|
| Equipment: | | | | | |
| Type | # | Satisfactory/Unsatisfactory | Comment | Corrective Action | CA Date |
| Ancillary equipment | | Satisfactory | Electrical transformers, breaker panel and meter | | |
| Prime Mover | 1 | Satisfactory | Electric motor | | |
| Pump Jack | 1 | Satisfactory | | | |

| | | | | | | | |
|--------------------|--------------|-----------------------------------|----------------|---------------------|-----------------------|------------------|--|
| Facilities: | | <input type="checkbox"/> New Tank | Tank ID: _____ | | | | |
| Contents | | # | Capacity | Type | SE GPS | | |
| | | | | CENTRALIZED BATTERY | 40.117960,-104.958280 | | |
| 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 |
| Earth | Adequate | Walls Sufficient | Base Sufficient | Adequate |

| | | | | | |
|-------------------|--|--|--|-----------------|--|
| Corrective Action | | | | Corrective Date | |
| Comment | | | | | |

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

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

Predrill

Location ID: 241452

Site Preparation:

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

S/U/V: _____

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

Form 2A COAs:**S/U/V:** _____ **Comment:** _____**CA:** _____ **Date:** _____**Wildlife BMPs:****S/U/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: 241452 Type: WELL API Number: 123-09241 Status: PR Insp. Status: PR

Producing Well

Comment: PR

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:

Lat _____ Long _____
 DWR Receipt Num: _____ Owner Name: _____ GPS : _____

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: _____

Comment: _____

1003a. Debris removed? Pass CM _____ CA _____ CA Date _____
 Waste Material Onsite? Pass CM _____ CA _____ CA Date _____
 Unused or unneeded equipment onsite? Pass CM _____ CA _____ CA Date _____
 Pit, cellars, rat holes and other bores closed? Pass CM _____ CA _____ CA Date _____
 Guy line anchors removed? Pass CM _____ CA _____ CA Date _____
 Guy line anchors marked? _____ CM _____ CA _____ CA Date _____

1003b. Area no longer in use? Pass Production areas stabilized ? Pass

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? Pass

Production areas have been stabilized? Pass Segregated soils have been replaced? _____

Inspector Name: JOHNSON, RANDELL

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? _____ F _____

Comment: _____

Overall Interim Reclamation _____ Pass _____

Final Reclamation/ Abandoned Location:

Date Final Reclamation Started: _____

Date Final Reclamation Completed: _____

Final Land Use: _____

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 _____

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/U/V: Satisfactory _____ Corrective Date: _____

Comment: _____

CA: _____

Pits: ☒ NO SURFACE INDICATION OF PIT