

**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
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Inspection Date:
10/29/2014Document Number:
673707459

Overall Inspection:

ACTION REQUIRED**FIELD INSPECTION FORM**

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	276365	304913	Sherman, Susan	<input type="checkbox"/>	

Operator Information:OGCC Operator Number: 10112Name 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 X212	regulatory@foundationenergy.com	

Compliance Summary:QtrQtr: SENE Sec: 33 Twp: 1N Range: 45W

Insp. Date	Doc Num	Insp. Type	Insp Status	Satisfactory /Action Required	PA P/F/I	Pas/Fail (P/F)	Violation (Y/N)
03/02/2011	200300028	PR	PR	SATISFACTORY	I		No

Inspector Comment:**Related Facilities:**

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status	
276365	WELL	PR	06/20/2005	GW	125-09138	BROWN 42-33	PR	<input checked="" 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/Action Required	Comment	Corrective Action	CA Date
OTHER	SATISFACTORY	lease sign at road		
WELLHEAD	SATISFACTORY			

Inspector Name: Sherman, Susan

Emergency Contact Number (S/A/V): SATISFACTORY

Corrective Date:

Comment:

Corrective Action:

Spills:

Type	Area	Volume	Corrective action	CA Date
Crude Oil	WELLHEAD	<= 5 bbls	Remove or remediate stained soil at wellhead (see attached photo). Fix stuffing box leak.	11/07/2014

☐ Multiple Spills and Releases?**Fencing/:**

Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
WELLHEAD	SATISFACTORY	steel panels		
PUMP JACK	SATISFACTORY	steel panels		

Equipment:

Type	#	Satisfactory/Action Required	Comment	Corrective Action	CA Date
Ancillary equipment	3	SATISFACTORY	telemetry, cathodic protection, electric panel		
Gas Meter Run	1	SATISFACTORY			
Prime Mover	1	SATISFACTORY	electric		
Vertical Separator		SATISFACTORY			
Pump Jack	1	ACTION REQUIRED	Leak-not on ground	Clean pump jack.	11/14/2014

Facilities:☐ New Tank

Tank ID: _____

Contents	#	Capacity	Type	SE GPS
			COMPRESSOR STATION	,

S/A/V:

Comment:

Corrective Action:

Corrective Date:

Paint

Condition	
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Other (Content)

Other (Capacity)

Other (Type)

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance

Corrective Action	Corrective Date
Comment	

Venting:

Yes/No	Comment

Inspector Name: Sherman, Susan

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

Predrill

Location ID: 276365

Site Preparation:

Lease Road Adeq.: Pads: Soil Stockpile:

S/A/V:

Corrective Action: Date: CDP Num.:

Form 2A COAs:

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: 276365 Type: WELL API Number: 125-09138 Status: PR Insp. Status: PR

Producing Well

Comment: Feb 2014 last reported production data to database.

309. COGCC Form 7. OPERATOR'S MONTHLY REPORT OF OPERATIONS

a. Operators shall report all existing oil and gas wells that are not plugged and abandoned on the Operator's Monthly Report of Operations, Form 7, within 45 days after the end of each month. A well must be reported every month from the month that it is spud until it has been reported for one month as abandoned. Each formation that is completed in a well shall be reported every month from the time that it is completed until it has been abandoned and reported for one month as abandoned. All information required by the form shall be reported, including all fluids produced during the initial testing and completion of the well.

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: pasture/sagebrush

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? _____ 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? Pass Subsidence over on drill pit? In

Cuttings management: _____

1003e. Areas no longer needed for drilling or subsequent operations for have been re-vegetated to 80% of pre-existing? In

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

RESTORATION AND REVEGETATION

Cropland

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

Non-Cropland

Top soil replaced Pass Recontoured Pass 80% Revegetation In

1003 f. Weeds Noxious weeds? I

Comment: _____

Overall Interim Reclamation In Process

Date Final Reclamation Started: _____	Date Final Reclamation Completed: _____
Final Land Use: _____	
Reminder: _____	
Comment: <div style="border: 1px solid black; height: 20px; width: 100%;"></div>	
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: <div style="border: 1px solid black; height: 20px; width: 100%;"></div>	
Corrective Action: <div style="border: 1px solid black; height: 20px; width: 100%;"></div>	Date _____
Overall Final Reclamation _____	Well Release on Active Location <input type="checkbox"/>
	Multi-Well Location <input type="checkbox"/>

Loc Erosion BMPs	BMP Maintenance	Lease Road Erosion BMPs	Lease BMP Maintenance	Chemical BMPs	Chemical BMP Maintenance	Comment
Compaction	Pass	Compaction	Pass			
Gravel	Pass					
S/A/V: SATISFACTOR _____ Corrective Date: _____ Y _____						
Comment:						
CA:						

Pits: ☒ NO SURFACE INDICATION OF PIT**Attached Documents**You can go to COGCC Images (<https://cogcc.state.co.us/weblink/>) and search by document number:

Document Num	Description	URL
673707562	Foundation Brown 42 33 lease sign	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3473028
673707563	Foundation Brown 42 33 well sign	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3473029
673707564	Foundation Brown 42 33 wellhead	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3473030
673707565	Foundation Brown 42 33 well equipment	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3473031
673707566	Foundation Brown 42 33 well equipment	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3473032

ACTION REQUIRED

ANY ACTION REQUIRED items listed on this report indicate that the oil and gas facility or the oil and gas operations listed on the report may be in violation of the rules and regulations of the Colorado Oil and Conservation Commission (“COGCC”) and corrective action is required.

There is reasonable cause to believe that a violation of the Oil and Gas Conservation Act, or of any rule, regulation, or order of the Commission, or of any permit issued by the Commission, has occurred. The Operator’s compliance with this Inspection Report is required to resolve these alleged violations. This document requires the Operator to timely respond to the COGCC and to comply with directives as listed by the **Corrective Action Deadline Date**. Failure to do so will result in the issuance of a Notice of Alleged Violation and initiation of enforcement proceedings in which COGCC will seek monetary penalties for the alleged violations pursuant to § 34-60-121, C.R.S. and Rule 523, COGCC Rules of Practice and Procedure, 2 CCR 404-1. (Please note that the COGCC's penalty authority was recently increased to a maximum of \$15,000 per day and penalties are no longer capped at a maximum of \$10,000 per violation.)