

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:
06/23/2015

Document Number:
673710736

Overall Inspection:
SATISFACTORY

FIELD INSPECTION FORM

| | | | | | |
|---------------------|---------------|---------------|-----------------------|--------------------------|-------------|
| Location Identifier | Facility ID | Loc ID | Inspector Name: | On-Site Inspection | 2A Doc Num: |
| | <u>253869</u> | <u>303980</u> | <u>Sherman, Susan</u> | <input type="checkbox"/> | |

Operator Information:

| | |
|-----------------------|---|
| OGCC Operator Number: | <u>10112</u> |
| Name of Operator: | <u>FOUNDATION ENERGY MANAGEMENT LLC</u> |
| Address: | <u>16000 DALLAS PARKWAY #875</u> |
| City: | <u>DALLAS</u> State: <u>TX</u> Zip: <u>75248-</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 |
|--------------|-------|---------------------------------|---------|
| Foundation | | regulatory@foundationenergy.com | |
| Quint, Craig | | craig.quint@state.co.us | |

Compliance Summary:

QtrQtr: NWNW Sec: 8 Twp: 1N Range: 44W

| Insp. Date | Doc Num | Insp. Type | Insp Status | Satisfactory /Action Required | PA P/F/I | Pas/Fail (P/F) | Violation (Y/N) |
|------------|-----------|------------|-------------|-------------------------------|----------|----------------|-----------------|
| 06/02/2014 | 673703737 | IJ | AC | SATISFACTORY | | | No |
| 09/04/2013 | 664001242 | IJ | IJ | SATISFACTORY | | | No |
| 07/23/2012 | 663300338 | | | SATISFACTORY | I | | No |
| 06/30/2011 | 200314657 | MI | AC | SATISFACTORY | | | No |
| 06/16/2011 | 200312786 | RT | AC | ACTION REQUIRED | | | Yes |
| 06/22/2010 | 200257016 | MI | AC | SATISFACTORY | | | No |
| 06/04/2010 | 200254341 | RT | AC | SATISFACTORY | | | No |
| 07/09/2009 | 200214576 | RT | AC | SATISFACTORY | | | No |
| 04/18/2008 | 200130517 | RT | AC | SATISFACTORY | | | No |
| 03/06/2007 | 200106616 | RT | AC | SATISFACTORY | | Pass | No |
| 07/26/2006 | 200094480 | RT | AC | SATISFACTORY | | Pass | No |
| 05/02/2005 | 200070517 | MI | SI | SATISFACTORY | | Pass | No |
| 04/19/2004 | 200053138 | RT | AC | SATISFACTORY | | Pass | No |
| 08/13/2003 | 200042526 | RT | AC | SATISFACTORY | | Pass | No |
| 01/08/2002 | 200022993 | RT | AC | SATISFACTORY | | Pass | No |
| 05/07/2001 | 200022818 | RT | AC | SATISFACTORY | | Pass | No |
| 08/10/2000 | 200008717 | MI | AC | SATISFACTORY | | Pass | No |

Inspector Comment:

Related Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status |
|-------------|--------------|--------|-------------|------------|-----------|---------------|-------------|
| 150389 | UIC DISPOSAL | AC | 11/07/1995 | DSPW | - | HITT 1 SWD | AC |
| 253869 | WELL | IJ | 07/01/1999 | IJ | 125-07747 | HITT SWD 1 | AC |

Equipment:

Location Inventory

Special Purpose Pits: _____ Drilling Pits: _____ Wells: _____ Production Pits: _____
 Condensate Tanks: _____ Water Tanks: _____ Separators: _____ Electric Motors: _____
 Gas or Diesel Mortors: _____ 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 |
|------------|------------------------------|---------------------|-------------------|---------|
| WELLHEAD | SATISFACTORY | | | |
| CONTAINERS | SATISFACTORY | propane tank | | |
| OTHER | SATISFACTORY | lease sign on CR 35 | | |

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

Corrective Date: _____

Comment: _____

Corrective Action: _____

Spills:

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

Multiple Spills and Releases?

Equipment:

| Type | # | Satisfactory/Action Required | Comment | Corrective Action | CA Date |
|---------------------|---|------------------------------|-------------------------|-------------------|---------|
| Ancillary equipment | 1 | SATISFACTORY | propane tank @ wellhead | | |
| Other | 1 | SATISFACTORY | fiberglass well shed | | |
| Deadman # & Marked | 4 | SATISFACTORY | | | |

Venting:

| Yes/No | Comment |
|--------|---------|
| | |

Flaring:

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

Predrill

Location ID: 253869

Site Preparation:

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

S/AV: _____

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

Form 2A COAs:

S/AV: _____ **Comment:**

CA: **Date:** _____

Wildlife BMPs:

S/AV: _____ **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: 253869 Type: WELL API Number: 125-07747 Status: IJ Insp. Status: AC

Underground Injection Control

UIC Violation: _____ Maximum Injection Pressure: _____

UIC Routine

Inj./Tube: Pressure or inches of Hg 0" Hg Previous Test Pressure _____ MPP _____
 (e.g. 30 psig or -30" Hg) Inj Zone: MRSN

TC: Pressure or inches of Hg 0 psi Previous Test Pressure _____ Last MIT: 06/30/2011

Brhd: Pressure or inches of Hg _____ Previous Test Pressure _____ AnnMTRReq: _____

Comment: Slight vacuum on tubing, slight blow down on casign, died immediately. Pump not running at time of inspection.

Method of Injection: PUMP FEED

Test Type: _____ Tbg psi: _____ Csg psi: _____ BH psi: _____

Insp. Status: _____

Comment: _____

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: _____

Comment: Open rangeland, Bayard fine sandy loam soil type

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? Pass 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: _____

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 |
|------------------|-----------------|-------------------------|-----------------------|---------------|--------------------------|---------|
| Gravel | Pass | Gravel | Pass | | | |

Inspector Name: Sherman, Susan

| | | | | | | |
|------------|------|------------|------|--|--|--|
| Compaction | Pass | Compaction | Pass | | | |
| Berms | Pass | | | | | |

S/A/V: SATISFACTOR
Y
Corrective Date: _____

Comment: _____

CA: _____

Pits: NO SURFACE INDICATION OF PIT

COGCC Comments

| Comment | User | Date |
|---|----------|------------|
| Formation in production records listed as "Not Completed". Check status of Form 5A. | ShermaSe | 06/24/2015 |

Attached Documents

You can go to COGCC Images (<https://cogcc.state.co.us/weblink/>) and search by document number:

| Document Num | Description | URL |
|--------------|---|---|
| 673710749 | Foundation Energy HITT SWD 1 Routine UIC | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3631631 |