

**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

Inspection Date:

07/20/2016

Document Number:

684901753

Overall Inspection:

ACTION REQUIRED**FIELD INSPECTION FORM**

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	331108	331108	Pesicka, Conor	<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
Allison, Rick		rick.allison@state.co.us	
,		regulatory@foundationenergy.com	All Inspections

Compliance Summary:QtrQtr: NENE Sec: 6 Twp: 7N Range: 60W**Inspector Comment:****Related Facilities:**

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status	
258592	WELL	PR	11/28/2001	OW	123-20169	HILL 6-1	SI	<input checked="" type="checkbox"/>
273444	PIT	AC	08/23/2004		-	HILL 6-1	AC	<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**Lease Road:**

Type	Satisfactory/Action Required	comment	Corrective Action	Date

Signs/Marker:				
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
WELLHEAD	SATISFACTORY	from battery		
TANK LABELS/PLACARDS	ACTION REQUIRED	No safety placard on produced water tank	Install sign to comply with rule 210.	09/20/2016
BATTERY	SATISFACTORY			

Emergency Contact Number (S/AR): SATISFACTORY

Corrective Date: _____

Comment: _____

Corrective Action: _____

Good Housekeeping:				
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date

Spills:				
Type	Area	Volume	Corrective action	CA Date
<input type="checkbox"/> Multiple Spills and Releases?				

Fencing/:				
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
PIT	SATISFACTORY	barbed wire		
TANK BATTERY	SATISFACTORY			
PUMP JACK	SATISFACTORY	barbed wire		
SEPARATOR	SATISFACTORY	barbed wire		

Equipment:				
Type: Deadman # & Marked	# 4	Satisfactory/Action Required:	SATISFACTORY	
Comment				
Corrective Action				Date:
Type: Veritcal Heater Treater	# 1	Satisfactory/Action Required:	ACTION REQUIRED	
Comment	Stained soil around treater			
Corrective Action	Remove or remediate stained soil; Securely fasten all valves, pipes, and fittings to ensure good mechanical condition per Rule 605.d.			Date: 8/22/2016
Type: Bird Protectors	# 1	Satisfactory/Action Required:	SATISFACTORY	
Comment				
Corrective Action				Date:
Type: Prime Mover	# 1	Satisfactory/Action Required:	ACTION REQUIRED	
Comment	ajax; stained soil around housing, exhaust			
Corrective Action	Remove or remediate stained soil; Securely fasten all valves, pipes, and fittings to ensure good mechanical condition per Rule 605.d.			Date: 8/22/2016
Type: Pump Jack	# 1	Satisfactory/Action Required:	ACTION REQUIRED	
Comment	Stained soil around pump jack, wellhead			

Inspector Name: Pesicka, Conor

Corrective Action		Remove or remediate stained soil; Securely fasten all valves, pipes, and fittings to ensure good mechanical condition per Rule 605.d.		Date: 8/22/2016
Type: Vertical Separator	# 1	Satisfactory/Action Required: SATISFACTORY		
Comment				
Corrective Action				Date:

Facilities: ☐ New Tank Tank ID: _____

Contents	#	Capacity	Type	SE GPS
PRODUCED WATER	1	100 BBLS	PBV FIBERGLASS	40.609470,-104.128050

S/AR	SATISFACTORY	Comment:	
Corrective Action:		Corrective Date:	

Paint

Condition	Adequate
-----------	----------

Other (Content) _____

Other (Capacity) 110bbl _____

Other (Type) _____

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Earth	Adequate	Walls Sufficient	Base Sufficient	Adequate

Corrective Action		Corrective Date	
Comment			

Facilities: ☐ New Tank Tank ID: _____

Contents	#	Capacity	Type	SE GPS
CRUDE OIL	1	400 BBLS	STEEL AST	40.609830,-104.128000

S/AR	ACTION REQUIRED	Comment:	Stained soil at truck loadout
Corrective Action:		Remove or remediate stained soil; Securely fasten all valves, pipes, and fittings to ensure good mechanical condition per Rule 605.d.	Corrective Date: 08/22/2016

Paint

Condition	Adequate
-----------	----------

Other (Content) _____

Other (Capacity) _____

Other (Type) _____

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Earth	Inadequate	Walls Insufficient	Base Sufficient	Inadequate

Corrective Action	Repair or install berms or other secondary containment devices per Rule 906.d.(1)	Corrective Date	08/22/2016
Comment			

Venting:

Yes/No	NO
Comment	

Flaring:

Type		Satisfactory/Action Required	
------	--	------------------------------	--

Comment:			
Corrective Action:		Correct Action Date:	

Predrill

Location ID: 331108

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

S/AR: _____

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

Form 2A COAs:

S/AR: _____ **Comment:** _____

CA: _____ **Date:** _____

Wildlife BMPs:

S/AR: _____ **Comment:** _____

CA: _____ **Date:** _____

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: <u>258592</u>	Type: <u>WELL</u>	API Number: <u>123-20169</u>	Status: <u>PR</u>	Insp. Status: <u>SI</u>
----------------------------	-------------------	------------------------------	-------------------	-------------------------

Idle Well

Purpose: ☒ Shut In ☐ Temporarily Abandoned Reminder: PRODUCTION RECORDS

S/A/V: _____ CA Date: _____

CA: _____

Comment: SI

Inspector Name: Pesicka, Conor

BradenHead

Comment: Bradenhead plumbed to surface

CA: _____

CA Date: _____

Facility ID: 273444 Type: PIT API Number: - Status: AC Insp. Status: AC

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): N

Comment: _____

Pilot: _____ Wildlife Protection Devices (fired vessels): YES

Reclamation - Storm Water - Pit

Interim Reclamation:

Date Interim Reclamation Started: _____ Date Interim Reclamation Completed: _____

Land Use: _____

Comment: _____

1003a. Waste and Debris removed? 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 marked? Pass

CM _____

CA _____ CA Date _____

1003b.	Area no longer in use? <u>In</u>	Production areas stabilized ? <u>Pass</u>
1003c.	Compacted areas have been cross ripped? _____	
1003d.	Drilling pit closed? <u>Pass</u>	Subsidence over on drill pit? <u>Pass</u>
	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		
<u>Cropland</u>		
	Top soil replaced _____	Recontoured _____ Perennial forage re-established _____
<u>Non-Cropland</u>		
	Top soil replaced _____	Recontoured _____ 80% Revegetation _____
1003 f.	Weeds Noxious weeds? _____	
Comment: <div style="border: 1px solid black; height: 20px;"></div>		
Overall Interim Reclamation _____		

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 _____
Gravel removed _____	Contoured _____
	Culverts 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 <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
Gradient Terraces	Pass	Gravel	Pass			

S/A/V: SATISFACTOR
Y

Corrective Date: _____

Comment: _____

CA: _____

Inspector Name: Pesicka, Conor

Pit Type: Produced Water Lined: NO Pit ID: 273444 Lat: 40.609200 Long: -104.127710

Lining:

Liner Type: _____ Liner Condition: _____

Comment: _____

Fencing:

Fencing Type: Livestock Fencing Condition: Adequate

Comment: _____

Netting:

Netting Type: _____ Netting Condition: _____

Comment: _____

Anchor Trench Present: _____ Oil Accumulation: YES 2+ feet Freeboard: _____

Pit (S/A/V): ACTION Comment: Stained soil around pit, skim, oil accumulation in pit; no covering on skim

Corrective Action: Remove or remediate stained soil (30 days); Remove oil from pit per Rule 902.c. (24 hours); Net or fence pit to prevent access per rule 902.d. (24 hours) Date: 07/21/2016

Attached Documents

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

Document Num	Description	URL
684901754	Gaps and burrows in berms	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3908972
684901755	stained soil at truck loadout	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3908973
684901756	Stained soil at wellhead	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3908974
684901757	Stained soil at pump jack	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3908975
684901758	Stained soil at prime move	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3908976
684901759	Stained soil at exhaust	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3908977
684901760	Stained soil around treater	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3908978
684901761	Stained soil around skim	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3908979
684901762	Stained soil around skim	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3908980
684901763	Uncovered skim	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3908981
684901764	Stained soil in produced water pit	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3908982
684901765	Oil accumulation in produced water pit	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3908983
684901766	No placard on produced water tank	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3908984