

**FORM
INSP**Rev
X/15

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:

09/13/2017

Submitted Date:

09/13/2017

Document Number:

684904358**FIELD INSPECTION FORM**

| | | | | |
|--|-----------------------------------|---|-------------------|--|
| Loc ID 330622 | Inspector Name: Pesicka, Conor | On-Site Inspection <input type="checkbox"/> | 2A Doc Num: _____ | Status Summary: <input checked="" type="checkbox"/> THIS IS A FOLLOW UP INSPECTION <input checked="" type="checkbox"/> FOLLOW UP INSPECTION REQUIRED <input type="checkbox"/> NO FOLLOW UP INSPECTION REQUIRED Findings: 23 Number of Comments 11 Number of Corrective Actions <input checked="" type="checkbox"/> Corrective Action Response Requested |
| Operator Information: OGCC Operator Number: <u>10112</u> Name of Operator: <u>FOUNDATION ENERGY MANAGEMENT LLC</u> Address: <u>5057 KELLER SPRINGS RD STE 650</u> City: <u>ADDISON</u> State: <u>TX</u> Zip: <u>75001</u> | | | | |

Contact Information:

| Contact Name | Phone | Email | Comment |
|------------------|--------------|---------------------------------|---------------------------------|
| Mah, Steven | | steven.mah@state.co.us | |
| Ash, Margaret | | margaret.ash@state.co.us | |
| , | | regulatory@foundationenergy.com | All Inspections |
| Leonard, Mike | | mike.leonard@state.co.us | |
| Anderson, Austin | 918-845-4700 | aanderson@foundationenergy.com | |

Inspected Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status |
|-------------|------|--------|-------------|------------|-----------|---------------|-------------|
| 251565 | WELL | PR | 06/01/2015 | GW | 123-19368 | HILL 31-15-8 | TA |
| 275725 | PIT | AC | 01/25/2005 | | - | HILL 31-15-8 | AC |

General Comment:

[Followup inspection to inspection doc#684903913 in response to governor's dashboard CA](#)

LocationOverall Good: ☒

| | | | |
|----------------------|--|-------|------------|
| Signs/Marker: | | | |
| Type | BATTERY | | |
| Comment: | Battery sign reattached | | |
| Corrective Action: | | Date: | |
| Type | TANK LABELS/PLACARDS | | |
| Comment: | Damaged placarding on 400 bbl crude oil tanks. No placarding on 300 bbl fiberglass produced water tank | | |
| Corrective Action: | Install sign to comply with rule 210.d | Date: | 08/30/2016 |
| Type | CONTAINERS | | |
| Comment: | propane, methanol | | |
| Corrective Action: | | Date: | |
| Type | WELLHEAD | | |
| Comment: | Wellhead sign is for prior operator | | |
| Corrective Action: | Install sign to comply with Rule 210.e. | Date: | 08/30/2016 |

Emergency Contact Number:

Comment: Emergency contact number at wellhead is for prior operator

Corrective Action: Install sign to comply with Rule 210.e.

Date: 08/21/2017

Good Housekeeping:

| | | | |
|--------------------|----------------------------------|-------|------------|
| Type | DEBRIS | | |
| Comment: | Debris in treater house | | |
| Corrective Action: | Comply with Rule 603.f . | Date: | 07/31/2017 |
| Type | UNUSED EQUIPMENT | | |
| Comment: | Unused equipment in tank battery | | |
| Corrective Action: | Comply with Rule 603.f . | Date: | 08/21/2017 |

Overall Good: ☐

| | | | |
|----------------|------|--------|--|
| Spills: | | | |
| Type | Area | Volume | |

In Containment: No

Comment:

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

| | | | |
|--------------------|-------------|-------|--|
| Type | WELLHEAD | | |
| Comment: | barbed wire | | |
| Corrective Action: | | Date: | |

Equipment:

| | | | |
|---------------------|-----|--|-----------------|
| Type: Gas Meter Run | # 2 | | corrective date |
| Comment: | | | |

| | | | |
|-------------------------------|---|-------|------------------|
| Corrective Action: | | Date: | |
| Type: Vertical Heater Treater | # 1 | | |
| Comment: | Stained soil in treater house | | |
| Corrective Action: | Remove or remediate stained soil; Securely fasten all valves, pipes, and fittings to ensure good mechanical condition, inspect at regular intervals and maintain in good mechanical condition per Rule 605.d. | | Date: 08/01/2016 |
| Type: Pig Station | # 1 | | |
| Comment: | | | |
| Corrective Action: | | | Date: |
| Type: Deadman # & Marked | # 4 | | |
| Comment: | | | |
| Corrective Action: | | | Date: |
| Type: Vertical Separator | # 1 | | |
| Comment: | | | |
| Corrective Action: | | | Date: |
| Type: Ancillary equipment | # 3 | | |
| Comment: | containers- 2 methanol, 1 propane | | |
| Corrective Action: | | | Date: |
| Type: Flow Line | # 2 | | |
| Comment: | 2 unmarked risers in tank battery | | |
| Corrective Action: | | | Date: |
| Type: Bird Protectors | # 2 | | |
| Comment: | | | |
| Corrective Action: | | | Date: |
| Type: Emission Control Device | # 1 | | |
| Comment: | | | |
| Corrective Action: | | | Date: |
| Type: Prime Mover | # 1 | | |
| Comment: | injection pump; stained soil in pumphouse, around pumphouse | | |
| Corrective Action: | Remove or remediate stained soil; Securely fasten all valves, pipes, and fittings to ensure good mechanical condition, inspect at regular intervals and maintain in good mechanical condition per Rule 605.d. | | Date: 08/01/2016 |

Tanks and Berms:

| Contents | # | Capacity | Type | Tank ID | SE GPS |
|--------------------|---|----------|-----------|---------|-----------------------|
| CRUDE OIL | 1 | 300 BBLS | STEEL AST | | 40.611650,-104.131360 |
| Comment: | | | | | |
| Corrective Action: | | | | | Date: |

Paint

| | |
|------------------|----------|
| Condition | Adequate |
| Other (Content) | |
| Other (Capacity) | |
| Other (Type) | |

| Berms | | | | | | |
|--------------------|----------|---------------------|---------------------|---|-----------------------|------------------|
| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance | | |
| | | | | | | |
| Comment: | | | | Shared with crude oil | | |
| Corrective Action: | | | | Date: | | |
| Contents | # | Capacity | Type | Tank ID | SE GPS | |
| CRUDE OIL | 2 | 400 BBLs | STEEL AST | | 40.611650,-104.131360 | |
| Comment: | | | | Stained soil valve in process of being remediated. Leak repaired. | | |
| Corrective Action: | | | | 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 | | |
| Comment: | | | | | | |
| Corrective Action: | | | | Date: | | |
| Contents | # | Capacity | Type | Tank ID | SE GPS | |
| PRODUCED WATER | 3 | 300 BBLs | FIBERGLASS AST | | 40.611650,-104.131360 | |
| Comment: | | | | Stained soil around tanks | | |
| Corrective Action: | | | | Remove or remediate stained soil; Securely fasten all valves, pipes, and fittings to ensure good mechanical condition, inspect at regular intervals and maintain in good mechanical condition per Rule 605.d. | | Date: 08/21/2017 |
| Paint | | | | | | |
| Condition | Adequate | | | | | |
| Other (Content) | | | | | | |
| Other (Capacity) | | | | | | |
| Other (Type) | | | | | | |
| Berms | | | | | | |
| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance | | |
| | | | | | | |
| Comment: | | | | Shared with crude oil | | |
| Corrective Action: | | | | Date: | | |
| Venting: | | | | | | |
| Yes/No | NO | | | | | |
| Comment: | | | | | | |
| Corrective Action: | | | | | | Date: |
| Flaring: | | | | | | |
| Type | | | | | | |

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

Inspected FacilitiesFacility ID: 251565 Type: WELL API Number: 123-19368 Status: PR Insp. Status: TA**Idle Well**Purpose: ☐ Shut In ☒ Temporarily Abandoned Reminder: EQUIPMENT PRESENT/DISCONNECTEDComment: TA; MIT on 09-24-2015. Production updated.Corrective Action: Date: **BradenHead**Comment: Bradenhead plumbed to surface.Corrective Action: Date: Facility ID: 275725 Type: PIT API Number: - Status: AC Insp. Status: AC

| Environmental | |
|------------------------------------|--|
| Spill/Remediation: | |
| Comment: | |
| Corrective Action: | Date: |
| Emission Control Burner (ECB): YES | |
| Comment: | Off while TA |
| Pilot: OFF | Wildlife Protection Devices (fired vessels): YES |

Reclamation - Storm Water - Pit**Interim Reclamation:**

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

Land Use: _____

Comment: _____

1002 SITE PREPARATION AND STABILIZATION

1002a. FENCING _____

Comment _____

Corrective Action _____

Date _____

1002b. SOIL REMOVAL AND
SEGREGATION _____

Comment _____

Corrective Action _____

Date _____

1002c. PROTECTION OF SOILS _____

Comment _____

Corrective Action _____

Date _____

1002E. SURFACE DISTURBANCE MINIMIZATION _____

Comment _____

Corrective Action _____

Date _____

1003a. Waste and Debris removed? Pass

Comment _____

Corrective Action _____

Date _____

Unused or unneeded equipment onsite? Pass

Comment _____

Corrective Action _____

Date _____

Pit, cellars, rat holes and other bores closed? Pass

Comment _____

Corrective Action _____

Date _____

Guy line anchors marked? Pass

Comment _____

Corrective Action _____

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 REVEGETATIONCropland

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

Non-Cropland

Top soil replaced _____ Recontoured _____ 80% Revegetation _____

1003e. INTERIM VEGETATION TRANSECT

TRANSECT RESULTS OF DISTURBED AREA% _____

TRANSECT RESULTS OF REFERENCE AREA% _____

TOTAL % OF DESIRABLE VEGETATION COVER _____

VEGETATIVE COVER _____

1003 f. Weeds Noxious weeds? _____

Comment _____

Corrective Action _____ Date _____

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 _____

1004.d. FINAL VEGETATION TRANSECT

TRANSECT RESULTS OF DISTURBED AREA% _____

TRANSECT RESULTS OF REFERENCE AREA% _____

TOTAL % OF DESIRABLE VEGETATION COVER _____

VEGETATIVE COVER _____

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 |
|------------------|-----------------|-------------------------|-----------------------|---------------|--------------------------|---------|
| Waddles | Pass | | | | | |
| Gravel | Fail | Gravel | Pass | | | |

Comment: Stormwater erosion on N side of pit, S side of pit and batteryCorrective Action: Install or repair required BMPs per Rule 1002.f.Date: 08/21/2017**Pits:** ☐ NO SURFACE INDICATION OF PITType: Produced WaterLined: NOPit ID: 275725Lat: 40.613215Long: -104.133043Reference Point: SE

Other: _____

Length: 15Width: 15**Lining:**

Liner Type: _____

Liner Condition: _____

Comment: _____

Corrective Action

Date: c**Fencing:**Fencing Type: None

Fencing Condition: _____

Comment: _____

Corrective Action

Date: _____

Netting:Netting Type: MeshNetting Condition: HolesComment: Gaps/holes in mesh

Corrective Action

Date: 07/07/2016

Anchor Trench Present: _____

Oil Accumulation: NO2+ feet Freeboard: YESComment: Stained soil at NW corner of pit

Corrective Action

Date: 08/21/2017

| Permit: | Facility ID | Permit Num | Expiration Date |
|---------|-------------|------------|-----------------|
| | 275725 | 1137716 | |
| | 275725 | 1137716 | |

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

| Document Num | Description | URL |
|--------------|-------------|---|
| 684904359 | Site photos | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4250392 |