

**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:

10/17/2017

Submitted Date:

10/24/2017

Document Number:

681700930**FIELD INSPECTION FORM**
 Loc ID 331108 Inspector Name: Arauza, Steven On-Site Inspection ☐ 2A Doc Num:
Operator Information:OGCC Operator Number: 10112Name of Operator: FOUNDATION ENERGY MANAGEMENT LLCAddress: 5057 KELLER SPRINGS RD STE 650City: ADDISON State: TX Zip: 75001**Status Summary:**

- ☒ THIS IS A FOLLOW UP INSPECTION
- ☒ FOLLOW UP INSPECTION REQUIRED
- ☐ NO FOLLOW UP INSPECTION REQUIRED

Findings:37 Number of Comments29 Number of Corrective Actions

- ☒
- Corrective Action Response Requested

Contact Information:

Contact Name	Phone	Email	Comment
Allison, Rick		rick.allison@state.co.us	
Pesicka, Conor		conor.pesicka@state.co.us	
,		dnr_cogccengineering@state.co.us	
Leonard, Mike		mike.leonard@state.co.us	
,		regulatory@foundationenergy.com	All Inspections

Inspected 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	EI
273444	PIT	AC	08/23/2004		-	HILL 6-1	AC

General Comment:

COGCC environmental inspection of well and production facility. Follow-up to 7/19/2017 Field Inspection Report #684903915 and Remediation Project #1835. Where corrective actions listed in previous Field Inspection Reports remain unresolved, corrective action dates remain unchanged.

Production records indicate that the well has been shut-in since December 2015. Well has no MITs on record. Well and production facility are located within 1000' of an occupied building.

LocationOverall Good: ☐

Signs/Marker:			
Type	WELLHEAD		
Comment:	No well sign.		
Corrective Action:	Install sign to comply with Rule 210.b.	Date:	11/24/2017
Type	BATTERY		
Comment:	Battery sign located at NE corner of fence around separator shed.		
Corrective Action:		Date:	
Type	TANK LABELS/PLACARDS		
Comment:	Labels and placards on 400 bbl crude oil AST and 110 bbl produced water fiberglass PBV are adequate.		
Corrective Action:		Date:	

Emergency Contact Number:

Comment:

Corrective Action:

Date: _____

Good Housekeeping:

Type	TRASH		
Comment:	Oily rag tied to wellhead. Black plastic (possible liner) at various locations around pit. See photos.		
Corrective Action:	Comply with Rule 603.f .	Date:	11/03/2017
Type	UNUSED EQUIPMENT		
Comment:	Unused pipe remains south of crude oil AST. Operator was instructed to remove unused equipment in previous Field Inspection Report.		
Corrective Action:	Immediately remove unused equipment to comply with Rule 603.f.	Date:	08/21/2017
Type	STORAGE OF SUPL		
Comment:	55-gallon drum on west side of pump jack and smaller chemical storage container at southwest corner of pump jack lack secondary containment devices. 55-gallon drum is uncapped and contains mix of engine oil and precipitation. See photos.		
Corrective Action:	Repair or install berms or other secondary containment devices per Rule 906.d.(1), comply with Rule 603.f.	Date:	11/24/2017
Type	WEEDS		
Comment:	Site-wide uncontrolled weeds, including weeds growing inside of pit berms. See photos.		
Corrective Action:	Comply with Rule 603.f .	Date:	11/03/2017

Overall Good: ☐

Spills:			
Type	Area	Volume	
Lube Oil	Pump Jack	<= 1 bbl	
Comment:	Oil-stained soil covering entire area beneath prime mover inside of shed and seeping out of shed on north and east sides, as indicated in previous Field Inspection Reports. See photos.		
Corrective Action:	Remove and properly dispose of non-E&P waste in accordance with Rule 907A		Date: 08/22/2016
Crude Oil	Separator	<= 1 bbl	

Comment:	Oil-stained soil and historical accumulations of oily waste inside of separator shed and seeping beneath south side of shed, as indicated in previous Field Inspection Reports. See photos.				
Corrective Action:	Remove and properly dispose of oily waste, per Rule 907.e.			Date:	08/22/2016
Other	Pump Jack	<= 1 bbl			
Comment:	Oil-stained soil at SW corner of pumping unit, beneath chemical storage container. See photos.				
Corrective Action:	Remove and properly dispose of non-E&P waste in accordance with Rule 907A.			Date:	10/26/2017
Other	Pump Jack	<= 1 bbl			
Comment:	Oil-stained soil beneath pump jack exhaust, as indicated in previous Field Inspection Reports. See photos				
Corrective Action:	Remove and properly dispose of non-E&P waste in accordance with Rule 907A.			Date:	08/22/2016
Crude Oil	WELLHEAD	<= 1 bbl			
Comment:	Localized, oil-stained soil at wellhead, as indicated in previous Field Inspection Reports. See photos.				
Corrective Action:	Remove and properly dispose of oily waste, per Rule 907.e.			Date:	08/22/2016
Crude Oil	Tank	<= 1 bbl			
Comment:	Localized, oil-stained soil and historical accumulations of oily waste beneath valves on west and east sides of 400 bbl crude oil AST. See photos.				
Corrective Action:	Remove and properly dispose of oily waste, per Rule 907.e.			Date:	10/26/2017

In Containment: No

Comment:

☒ Multiple Spills and Releases?

Fencing/:					
Type	PIT				
Comment:	Barbed wire fence.				
Corrective Action:					Date:
Type	SEPARATOR				
Comment:	Barbed wire fence around separator shed in need of repair. See photos.				
Corrective Action:	Repair fence as part of routine maintenance.				Date: 12/24/2017
Type	PUMP JACK				
Comment:	barbed wire fence.				
Corrective Action:					Date:
Type	TANK BATTERY				
Comment:	barbed wire fence.				
Corrective Action:					Date:

Equipment:				corrective date
Type: Ancillary equipment	# 1			
Comment:	Day tank at SE corner of pump jack lacks secondary containment device. See photos.			
Corrective Action:	Repair or install berms or other secondary containment devices per Rule 906.d.(1).			Date: 11/24/2017
Type: Ancillary equipment	# 1			
Comment:	Plastic 55 gallon drum at SE corner of separator shed is full of fluid and lacks secondary containment device.			
Corrective Action:	Repair or install berms or other secondary containment devices per Rule 906.d.(1), comply with Rule 603.f.			Date: 11/24/2017

Type: Flow Line	# 2		
Comment:	NOT IN USE: Two 2" steel flowline risers (one plugged, one unplugged) located south of 400 bbl crude oil AST. See photos. Risers are located within 1000' of an occupied building.		
Corrective Action:	Contact the Engineering Integrity section to discuss flowline abandonment requirements per Rule 1103. Along with the rule, the COGCC Operator Guidance, Rules 1101, 1102, and 1103: Flowline Guidance 1101 and 1102 guidance document can provide further details. Contact dnr_cogccengineering@state.co.us with resolution plan.		Date: 11/03/2017
Type: Prime Mover	# 1		
Comment:	Oil-stained soil beneath prime mover, as listed in previous Field Inspection Reports.		
Corrective Action:	Immediately 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: 08/22/2016
Type: Flow Line	# 1		
Comment:	Uncapped 2" flowline riser NE of separator shed 90% filled with crude oil. See photos.		
Corrective Action:	Contact the Engineering Integrity section to discuss flowline abandonment requirements per Rule 1103. Along with the rule, the COGCC Operator Guidance, Rules 1101, 1102, and 1103: Flowline Guidance 1101 and 1102 guidance document can provide further details. Contact dnr_cogccengineering@state.co.us with resolution plan.		Date: 11/03/2017
Type: Ancillary equipment	# 1		
Comment:	Propane tank outside of NW corner of separator berm. See photos.		
Corrective Action:			Date:
Type: Pump Jack	# 1		
Comment:	Panel fence around pump jack is damaged near shed at NE corner. See photos.		
Corrective Action:	Repair during routine maintenance.		Date: 12/24/2017
Type: Vertical Separator	# 1		
Comment:	Localized, oil-stained soil and historical accumulation of oily waste remain inside of separator shed, as indicated in previous Field Inspection Reports. See photos.		
Corrective Action:	Immediately 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: 08/22/2016
Type: Vertical Heater Treater	# 1		
Comment:	Localized, oil-stained soil and historical accumulation of oily waste remain inside of separator shed, as indicated in previous Field Inspection Reports. See photos.		
Corrective Action:	Immediately 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: 08/22/2016

Tanks and Berms:

Contents	#	Capacity	Type	Tank ID	SE GPS
CRUDE OIL	1	400 BBLs	STEEL AST		
Comment:	Historical accumulations of oily waste beneath valves on west and east sides of crude oil AST. See photos.				
Corrective Action:	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:	11/24/2017

Paint

Condition	
Other (Content)	
Other (Capacity)	
Other (Type)	

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
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Earth	Inadequate	Walls Insufficient		Inadequate	
Comment: Earthen berm is eroded and shallow. See photos.					
Corrective Action: Repair or install berms or other secondary containment devices per Rule 605.a.(4).					Date: 11/24/2017
Contents	#	Capacity	Type	Tank ID	SE GPS
OTHER	1	OTHER	PBV FIBERGLASS		,
Comment: Skim tank lacks volume label. See photos.					
Corrective Action: Install sign to comply with Rule 210.d.					Date: 12/24/2017

Paint

Condition	
Other (Content)	
Other (Capacity)	
Other (Type)	

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance	
Earth					
Comment: Skim tank is partially buried in north berm of production pit but lacks secondary containment on west, north, and east sides. See photos.					
Corrective Action: Repair or install berms or other secondary containment devices per Rule 605.a.(4).				Date: 11/24/2017	
Contents	#	Capacity	Type	Tank ID	SE GPS
PRODUCED WATER	1	OTHER	PBV FIBERGLASS		,
Comment:					
Corrective Action:					Date:

Paint

Condition	
Other (Content)	
Other (Capacity)	110 bbls
Other (Type)	

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Earth	Adequate			Inadequate
Comment: Earthen berms around fiberglass PBV are eroded and shallow. See photos.				
Corrective Action: Repair or install berms or other secondary containment devices per Rule 605.a.(4).				Date: 11/24/2017

Venting:

Yes/No		
Comment:		
Corrective Action:		Date:

Flaring:

Type	
Comment:	
Corrective Action:	Date:

Environmental

Waste Management:

Type	Management	Condition	GPS (Lat) (Long)	
Oily Soil	Piles	Inadequate	40.609295	-104.128009
Comment:	Stockpile of oil-stained soil and weeds west remains west of skim tank, as documented in photos attached to previous Field Inspection Reports.			
Corrective Action:	Immediately remove and properly dispose of oily waste, per Rule 907.e.			Date: 10/26/2017

Spill/Remediation:

Comment:	Unresolved Remediation Project #1835 was approved for land-treatment and reuse of remediated soil to rebuild earthen berms on-location. Required confirmation samples for remediation project closure were never received by COGCC.			
Corrective Action:	Submit required closure documentation or sample earthen berms on location to document compliance with Table 910-1. Contact EPS Steven Arauza to discuss closure requirements.			Date: 11/03/2017

Emission Control Burner (ECB): _____

Comment: _____

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

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

Loc Erosion BMPs	BMP Maintenance	Lease Road Erosion BMPs	Lease BMP Maintenance	Chemical BMPs	Chemical BMP Maintenance	Comment

Comment: Off-site sediment transport from pit berm onto area north of pit.Corrective Action: Install or repair required BMPs per Rule 1002.f.Date: 11/24/2017**Pits:** ☐ NO SURFACE INDICATION OF PITType: Produced WaterLined: NOPit ID: 273444Lat: 40.609197Long: -104.127785

Reference Point: _____ Other: _____ Length: _____ Width: _____

Lining:

Liner Type: _____ Liner Condition: _____

Comment: _____

Corrective Action

Date: c**Fencing:**

Fencing Type: _____ Fencing Condition: _____

Comment: _____

Corrective Action

Date: _____

Netting:

Netting Type: _____ Netting Condition: _____

Comment: _____

Corrective Action

Date: _____

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

Comment: Oil-stained soil inside of pit berms on all sides, as indicated in previous FIRs. See photos.

Corrective Action

Date: 08/22/2016

Permit:	Facility ID	Permit Num	Expiration Date
	273444	1126920	
	273444	1126920	

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

Document Num	Description	URL
681700939	Field photos.	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4282741