

**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:

681700926**FIELD INSPECTION FORM**Loc ID 331563 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:23 Number of Comments19 Number of Corrective Actions

- ☒
- Corrective Action Response Requested

Contact Information:

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

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
263494	WELL	PR	10/15/2002	OW	123-20908	STATE 36-16	EI

General Comment:

COGCC environmental inspection of wellhead and production facility. Follow-up to 1/27/2017 Field Inspection Report #667400555 and Remediation Project #1833.

Where corrective actions from previous Field Inspection Report remain unresolved, corrective action dates remain unchanged.

LocationOverall Good: ☐**Signs/Marker:**

Type	WELLHEAD		
Comment:	No sign at wellhead.		
Corrective Action:	Install sign to comply with Rule 210.b.	Date:	11/24/2017
Type	BATTERY		
Comment:	Operator emergency contact information decal is damaged. Phone number is illegible. See photos.		
Corrective Action:	Install sign to comply with Rule 210.b.	Date:	11/24/2017

Emergency Contact Number:

Comment:

Corrective Action:

Date: _____

Overall Good: ☐**Spills:**

Type	Area	Volume		
Crude Oil	Separator	<= 1 bbl		
Comment:	Localized, oil-stained soil inside of treater/separator shed. See photos.			
Corrective Action:	Remove and properly dispose of oily waste, per Rule 907.e.			Date: 10/26/2017
Crude Oil	WELLHEAD	<= 1 bbl		
Comment:	Localized historical accumulation of oily waste and oil-stained soil at wellhead. See photos.			
Corrective Action:	Remove and properly dispose of oily waste, per Rule 907.e.			Date: 10/26/2017
Crude Oil	Pump Jack	<= 1 bbl		
Comment:	Historical accumulation of oily waste and oil-stained soil beneath south end of pump jack and day tank at SE corner of pump jack. See photos.			
Corrective Action:	Remove and properly dispose of oily waste, per Rule 907.e.			Date: 10/26/2017
Lube Oil	Pump Jack	<= 1 bbl		
Comment:	Localized, oil-stained soil beneath prime mover. See photos.			
Corrective Action:	Remove and properly dispose of non-E&P waste in accordance with Rule 907A.			Date: 10/26/2017
Crude Oil	Tank	<= 1 bbl		
Comment:	Localized, oil-stained soil east of crude oil ASTs. Historical accumulations of oily waste beneath valves on north and south sides of crude oil ASTs. 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	PUMP JACK		
Comment:	Barbed wire fence.		
Corrective Action:		Date:	

Equipment:			corrective date
Type: Prime Mover	# 1		
Comment:	Historical accumulation of lube oil beneath prime mover. 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: <u>11/24/2017</u>
Type: Ancillary equipment	# 2		
Comment:	Day tanks at SW and SE corners of pump jack lack secondary containment devices. See photos.		
Corrective Action:	Repair or install berms or other secondary containment devices per Rule 906.d.(1).		Date: <u>11/24/2017</u>
Type: Vertical Heater Treater	# 1		
Comment:			
Corrective Action:	Date:		
Type: Ancillary equipment	# 2		
Comment:	Two 55-gallon drums being used for chemical storage inside of pump jack shed. See photos.		
Corrective Action:	Date:		
Type: Flow Line	# 2		
Comment:	Two bullplugged 2" steel flowline risers east of crude oil ASTs. 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: <u>11/03/2017</u>
Type: Gas Meter Run	# 1		
Comment:			
Corrective Action:	Date:		
Type: Emission Control Device	# 1		
Comment:			
Corrective Action:	Date:		
Type: Pump Jack	# 1		
Comment:			
Corrective Action:	Date:		
Type: Flow Line	# 2		
Comment:	2" flowline riser NE of produced water pit is plumbed to discharge into pit. 1" flowline riser with valve is associated with 2" riser. 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: <u>11/03/2017</u>

Tanks and Berms:

Contents	#	Capacity	Type	Tank ID	SE GPS
OTHER	1	OTHER	PBV FIBERGLASS		
Comment:	50 bbl skim tank on west end of produced water tank lacks NFPA placard. See photos.				
Corrective Action:	Install sign to comply with Rule 210.d.				Date: <u>12/24/2017</u>

Paint

Condition	
Other (Content)	skim tank
Other (Capacity)	50 bbls
Other (Type)	

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance	
Earth	Adequate			Inadequate	
Comment:	Earthen berm shared with produced water pit. Berms are eroded and damaged. Skim tank lacks adequate earthen berms on north, west, and south 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	300 BBLS	FIBERGLASS AST		,
Comment:					
Corrective Action:					
Date:					

Paint

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

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance	
Earth	Inadequate			Inadequate	
Comment:	Earthen berm is shallow due to erosion and damage. Berm area is insufficient to contain tank volume plus freeboard per Rule 605.a.(4). Operator had been instructed to improve capacity at produced water tank in 1/28/2015 Field Inspection Report.				
Corrective Action:	Immediately repair or install berms or other secondary containment devices per Rule 605.a.(4).			Date: 02/27/2015	
Contents	#	Capacity	Type	Tank ID	SE GPS
CRUDE OIL	3	300 BBLS	STEEL AST		,
Comment:	Historical accumulations of oily waste beneath valves on north and south sides of crude oil ASTs.				
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
Earth	Adequate			Inadequate
Comment:	Earthen berms are shallow and eroded. Depression north of ASTs, inside of berm, was full of precipitation on date of inspection. 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:	

--	--	--	--

Inspected Facilities									
Facility ID:	263494	Type:	WELL	API Number:	123-20908	Status:	PR	Insp. Status:	EI

--

Environmental**Spill/Remediation:**

Comment: Operator was instructed via email (see attached doc #2145827) to perform work under according to approved Site Investigation and Remediation Workplan (Remediation Project #1833) and to submit a Sundry Notice with supporting documentation once work is complete in order to resolve Remediation Project #1833 and NOAV #1175574 (also attached). There are no records to indicate that operator has performed required work.

Corrective Action: Contact EPS Steven Arauza to discuss closure requirements and submission 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: Corrective Action: Date: **Pits:** ☐ NO SURFACE INDICATION OF PITType: Produced WaterLined: NOPit ID: 273446Lat: 40.611835Long: -104.034734Reference 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: MeshNetting Condition: GapsComment:

Gaps in wildlife mesh are large enough to allow wildlife access. See photos. Gaps were also reported in 1/28/2015 Field Inspection Report.

Corrective Action:

Repair mesh to prevent access per rule 902.d.

Date: 10/25/2017Anchor Trench Present: NOOil Accumulation: NO2+ feet Freeboard: YESComment:

Pit berms are damaged and eroded. Localized accumulations of oil-stained soil inside NW and SW corners of berms and incorporated into east and south berms. See photos.

Corrective Action:

Remove and properly dispose of oily waste, per Rule 907.e. Repair berms.

Date: 10/26/2017**Attached Documents**You can go to COGCC Images (<https://cogcc.state.co.us/weblink/>) and search by document number:

Document Num	Description	URL
401439421	INSPECTION SUBMITTED	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4282745
681700933	Remediation Project 1833 email	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4282738
681700934	NOAV 1175574 (doc #2090028)	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4282739
681700935	Field Photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4282740