

**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:

09/07/2018

Submitted Date:

09/09/2018

Document Number:

691200437**FIELD INSPECTION FORM**
 Loc ID 331181 Inspector Name: Evins, Bret 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 Comments3 Number of Corrective Actions

- ☒
- Corrective Action Response Requested

Contact Information:

Contact Name	Phone	Email	Comment
,		regulatory@foundationenergy.com	All Inspections
Pesicka, Conor		conor.pesicka@state.co.us	
Koehler, Vernon E.	970-834-9272	vkoehler@fs.fed.us	USFS; federal/federal inspections
Cowan, Peter		picowan@blm.gov	BLM; federal/federal inspections
Arthur, Denise		denise.arthur@state.co.us	

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
259124	WELL	PR	08/21/2002	OW	123-20272	FEDERAL OSPREY 35-3	PR

General Comment:

This is a WELL & BATTERY Inspection.

Follow-up inspection to FIR #691200304 dated 7/27/2018.

Location

Lease Road:			
Type	Access		
comment:	Adequate. Battery: Gravel Well: 2-Track Ag road		
Corrective Action	L	Date:	

Overall Good: ☒

Signs/Marker:			
Type	WELLHEAD		
Comment:			
Corrective Action:		Date:	
Type	BATTERY		
Comment:			
Corrective Action:		Date:	
Type	TANK LABELS/PLACARDS		
Comment:			
Corrective Action:		Date:	

Emergency Contact Number:

Comment:

Corrective Action:

Date: _____

Good Housekeeping:

Type	WEEDS		
Comment:	Weeds appear inside of produced water pit netted area. Remove & control weeds. Statewide weed requirements. Refer to Rule 603.f for guidance (10 Days)		
Corrective Action:	Comply with Rule 603.f .	Date:	09/20/2018

Overall Good: ☐

Spills:			
Type	Area	Volume	

In Containment: No

Comment:

☐ Multiple Spills and Releases?

Fencing/:			
Type	WELLHEAD		
Comment:	Barbed wire		
Corrective Action:		Date:	
Type	PUMP JACK		
Comment:	Heavy wire mesh panel		
Corrective Action:		Date:	

Equipment:				corrective date	
Type: Vertical Separator	# 1				
Comment:	2-phase separator.				
Corrective Action:				Date:	
Type: Bird Protectors	# 2				
Comment:					
Corrective Action:				Date:	
Type: Pump Jack	# 1				
Comment:	Currently in operation. Stained soil around pump jack base and gearbox stain appear to be remediated. This addresses the previous CA from FIRs #684902422 dated 10/3/2016 & #691200304 dated 7/27/2018.				
Corrective Action:				Date:	
Type: Emission Control Device	# 1				
Comment:	ECD pilot is lit. Valves are open. Controls oil tanks VOCs.				
Corrective Action:				Date:	
Type: Deadman # & Marked	# 4				
Comment:	4/4-marked. This addresses the previous CA from FIRs #684902422 dated 10/3/2016 & #691200304 dated 7/27/2018.				
Corrective Action:				Date:	
Type: Vertical Heater Treater	# 1				
Comment:	Stained soil inside of treater house appears to be remediated. This addresses the previous CA from FIRs #684902422 dated 10/3/2016 & #691200304 dated 7/27/2018.				
Corrective Action:				Date:	
Type: Ancillary equipment	# 2				
Comment:	Drum & container for engine oil.				
Corrective Action:				Date:	
Type: Prime Mover	# 1				
Comment:	Gas engine. Currently in operation. Stained soil around engine base appears to be remediated. This addresses the previous CA from FIRs #684902422 dated 10/3/2016 & #691200304 dated 7/27/2018. CA for engine muffler has not been addressed. Mechanical conditions. Securely fasten all valves, pipes, and fittings to ensure good mechanical condition per Rule 605.d.				
Corrective Action:	Comply w/ Rule 605.d. Previous CA date remains applicable.			Date:	11/03/2016

Tanks and Berms:

Contents	#	Capacity	Type	Tank ID	SE GPS
PRODUCED WATER	1	300 BBLS	FIBERGLASS AST		40.622433,-104.068179
Comment:					
Corrective Action:					Date:

Paint

Condition	
Other (Content)	
Other (Capacity)	

Other (Type)						
Berms						
Type	Capacity	Permeability (Wall)		Permeability (Base)	Maintenance	
Earth	Adequate	Walls Sufficient		Base Sufficient	Adequate	
Comment:		Berms have been rebuilt and appear adequate for required containment of vessel contents. This addresses the previous CA from FIRs #684902422 dated 10/3/2016 & #691200304 dated 7/27/2018.				
Corrective Action:						Date:
Contents	#	Capacity	Type	Tank ID	SE GPS	
CRUDE OIL	2	300 BBLS	STEEL AST		40.622617,-104.068211	
Comment:		Equalizer line connects the crude oil tanks.				
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:		Depression behind oil tanks is now filled in and level surrounding oil tanks area. See comment in pit section of this FIR regarding previous CA.				
Corrective Action:						Date:
Venting:						
Yes/No	NO					
Comment:						
Corrective Action:						Date:
Flaring:						
Type						
Comment:						
Corrective Action:						Date:

Inspected FacilitiesFacility ID: 259124 Type: WELL API Number: 123-20272 Status: PR Insp. Status: PR**Producing Well**Comment: PR. Was informed by production operator that this well was returned to production this morning after an extended period of being SI for workover.

Corrective Action:

Date:

BradenHeadComment: Bradenhead does NOT appear plumbed to surface. Plumb bradenhead to surface. Mechanical Conditions. 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. (30-days).Corrective Action: Comply with Rule 605.d.

Date: 10/10/2018

Reclamation - Storm Water - Pit

Storm Water:

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

Comment: Corrective Action: Date: **Pits:** ☐ NO SURFACE INDICATION OF PITType: Produced WaterLined: NOPit ID: 274749Lat: 40.624205Long: -104.061451Reference Point: SEOther: 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: GoodComment: Corrective Action: Date: Anchor Trench Present: Oil Accumulation: NO2+ feet Freeboard: YESComment: Produced water pit with attached 50 BBIs. fiberglass skim tank.Corrective Action: Date: Type: EmergencyLined: NOPit ID: Lat: 40.622590Long: -104.068230Reference 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:		Date:
Corrective Action		
Anchor Trench Present:	Oil Accumulation:	2+ feet Freeboard:
Comment:	Depression behind oil tanks that previously appeared to be used as an emergency or BS&W pit is now filled in and level surrounding oil tanks area. This addresses the previous CA from FIRs #684902422 dated 10/3/2016 & #691200304 dated 7/27/2018.	
Corrective Action		Date:

COGCC Comments

Comment	User	Date
Active flow line leak between well and treater was observed while performing this FIR. Photos were taken. A subsequent FIR will follow to address the flowline leak & release. Production Forman was notified by phone of this situation at 4:10pm on 09/07/2018. Facility & well operator arrived on location at 4:15 pm on 09/07/2018 and shut-in well, treater and other related equipment. Production forman arrived on location at 4:20 pm.	evinsb	09/09/2018

Attached Documents

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

Document Num	Description	URL
401757480	INSPECTION SUBMITTED	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4573747
691200438	Site photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4573741