

**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:

09/05/2018

Submitted Date:

09/17/2018

Document Number:

682503847**FIELD INSPECTION FORM**Loc ID 447523 Inspector Name: Trujillo, Aaron 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:7 Number of Comments2 Number of Corrective Actions

- ☒
- Corrective Action Response Requested

Contact Information:

Contact Name	Phone	Email	Comment
,		regulatory@foundationenergy.com	All Inspections
		abeard@foundationenergy.com	
		jsauer@foundationenergy.com	
		denise.arthur@state.co.us	
,		dnr_cogccenforcement@state.co.us	

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
447524	TANK BATTERY	AC	09/01/2016		-	Krager TB	RI

General Comment:

This is a follow-up reclamation and good housekeeping inspection.

The following comment is copied from inspection #682503486, please see FIR for additional details:

Complainant contacted Reclamation staff on 6/12/2018 in regards to noxious weed concerns on Foundation Locations and submitted complaint doc. #200445970 stating that "Diffuse Knapweed has returned to both locations" on 6/13/2018. The locations in reference are the Krager TB / well location and the SOONER SE SEC 21 TB location, both of which have past complaints regarding noxious weed concerns (see inspection #682401201 and inspection #682401240).

On 6/13/2018 at 15:09, upon receiving a formal complaint, Reclamation Specialist Trujillo contacted complainant via phone to discuss concerns. Complainant stated that operator has failed to perform weed management, and weeds (Diffuse Knapweed) has continued to grow and spread from the location onto their property.

See "Good Housekeeping".

LocationOverall Good: ☐

Emergency Contact Number:

Comment: Corrective Action: Date: **Good Housekeeping:**

Type	WEEDS		
Comment:	<p>Inspection #682503486 documented that Diffuse Knapweed (<i>Centaurea diffusa</i>) has continued to establish on the location and spread onto adjacent lands. Inspection required operator to properly remove and control noxious weeds on location and adjacent lands. Operator submitted resolution #401681745 on 6/22/2018 indicating weeds were sprayed. Inspection doc. #682503562 on 07/13/2018 documented that maturing Noxious weeds remain on both location and the adjacent lands.</p> <p>Operator has failed to conduct sufficient, ongoing weed management. Corrective action required ongoing weed management and for operator to remove and control noxious weeds on location and adjacent lands. Diffuse Knapweed remains evident on location and adjacent lands,</p>		
Corrective Action:	<p>Properly remove and control noxious weeds on location. Properly manage and remove noxious weeds from the adjacent lands that have encroached from Foundations location.</p> <p>Ongoing weed management and monitoring is required, and needs to occur in accordance to COGCC rules and regulations. Due to the significant nature, extent, or duration of this alleged rule violation immediate referral to enforcement is required and a corrective action date will not be applied.</p>		Date: <input type="text"/>

Overall Good: ☐**Spills:**

Type	Area	Volume		
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In Containment: No

Comment: ☐ Multiple Spills and Releases?**Venting:**

Yes/No			
Comment:			
Corrective Action:		Date:	

Flaring:

Type		
Comment:		
Corrective Action:		Date: <input type="text"/>

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? _____

Comment _____

Corrective Action _____

Date _____

Unused or unneeded equipment onsite? _____

Comment _____

Corrective Action _____

Date _____

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

Comment _____

Corrective Action _____

Date _____

Guy line anchors marked? _____

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:	<p>All wells associated with this battery facility appear have been abandoned. The KRAGER #22-12 was PAd 4/15/2017.</p> <p>All active wells within the vicinity are associated with the Sooner North Tank battery.</p> <p>This facility no longer appears to be active, and requires final reclamation activities to be conducted.</p>	Date 12/17/2018
	<p>Perform final reclamation in accordance with COGCC rule 1004.a; remove all equipment, risers, trash debris and remaining facilities on location and establish vegetation with total perennial, non-invasive uniform plant cover of at least eighty (80) percent of pre-disturbance or reference area levels. Use a seed mixture requested by the surface owner, or a mixture prescribed by the local county NRCS. Ensure erosion controls are implemented to stabilize the seeded soil, and continue to monitor and manage this site until Final Reclamation has passed. Revegetation activities shall be completed no later than 12/17/2018.</p>	
Overall Final Reclamation Fail Well Release on Active Location <input type="checkbox"/> Multi-Well Location <input type="checkbox"/>		

COGCC Comments

Comment	User	Date
On August 3rd, 2018, COGCC Field Inspector Evans contacted Reclamation Specialist Trujillo regarding weed issues. Evans stated that the Complainant was on location and made contact with him. Complainant indicated that sufficient weed management has not been conducted and that noxious weed issues remained.	trujilloam	09/07/2018
On 9/2/2018 Complainant contacted COGCC staff indicating locations have not received proper "good housekeeping". Complainant indicated that she personally bagged "21 garbage sacks of diffuse knapweed from this area".	trujilloam	09/07/2018
Operator is directed to perform corrective actions outlined on this inspection report immediately. Doing so may decrease the duration of the alleged violations and the penalties that may be assessed pursuant to Rule 523.	trujilloam	09/07/2018

Attached Documents

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

Document Num	Description	URL
401765707	INSPECTION SUBMITTED	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4581180
682503910	Inspection Photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4581179