

**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:

04/26/2019

Submitted Date:

04/26/2019

Document Number:

679703877

FIELD INSPECTION FORM

| | | | | |
|--|--------------------------------|---|-------------------|--|
| Loc ID 315493 | Inspector Name: Moran, Rick | 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: 6 Number of Comments 1 Number of Corrective Actions <input checked="" type="checkbox"/> Corrective Action Response Requested |
| Operator Information: OGCC Operator Number: 10112 Name of Operator: FOUNDATION ENERGY MANAGEMENT LLC Address: 5057 KELLER SPRINGS RD STE 650 City: ADDISON State: TX Zip: 75001 | | | | ANY CORRECTIVE ACTION(S) FROM PREVIOUS INSPECTIONS THAT HAVE NOT BEEN ADDRESSED ARE STILL APPLICABLE |

Contact Information:

| Contact Name | Phone | Email | Comment |
|--------------------|--------------|----------------------------------|------------|
| COGCC, Engineering | 303-894-2100 | dnr_cogccEngineering@state.co.us | |
| Energy, Foundation | | regulatory@foundationenergy.com | Regulatory |
| Pesicka, Conor | 970-415-0789 | conor.pesicka@state.co.us | |
| Kellerby, Shaun | 970-712-1248 | shaun.kellerby@state.co.us | |

Inspected Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status |
|-------------|------|--------|-------------|------------|-----------|---------------------|-------------|
| 230927 | WELL | SI | 02/01/2017 | GW | 103-08596 | ARCO FED 4-22-4-103 | TA |

General Comment:

COGCC Inspection Report Summary.

On 4/26/2019 at approximately 13:00, inspector Rick Moran, conducted a follow up inspection at Foundation Energy Managements' well Arco Federal 4-22-4-103 in Rio Blanco county.

While there I conducted a follow up inspection of FIR document 679701948 and FIRR document 401895009 along with a routine well inspection.

During this inspection the following compliance issues were identified as resolved:

- 1) Tank label.
- 2) Bird cone.

During this inspection the following possible compliance issues were observed as uncompleted:

- 1) MIT.

During this inspection the possible additional compliance issues were identified:

- 1) Dead weeds on location.

A follow up on this site inspection will be conducted to ensure the compliance issues have been corrected to comply with COGCC rules.

This is a summary of inspection report 679703877.

LocationOverall Good: ☒

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

Emergency Contact Number:

Comment: 866-767-3600

Corrective Action:

Date: _____

Good Housekeeping:

| | | | |
|--------------------|--------------------------|-------|------------|
| Type | DEBRIS | | |
| Comment: | Dead weeds on location. | | |
| Corrective Action: | Comply with Rule 603.f . | Date: | 05/27/2019 |

Overall Good: ☐

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

In Containment: No

Comment:

☐ Multiple Spills and Releases?

| | | | |
|-----------------------------------|-----|-------|-----------------|
| Equipment: | | | corrective date |
| Type: Gas Meter Run | # 1 | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type: Deadman # & Marked | # 4 | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type: Pig Station | # 1 | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type: Bird Protectors | # 2 | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type: Horizontal Heated Separator | # 1 | | |

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

Tanks and Berms:

| | | | | | |
|--------------------|---|----------|-----------|---------|-----------------------|
| Contents | # | Capacity | Type | Tank ID | SE GPS |
| PRODUCED WATER | 1 | 300 BBLS | STEEL AST | | 39.691440,-108.947940 |
| Comment: | | | | | |
| Corrective Action: | | | | | Date: |

Paint

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

Berms

| | | | | |
|--------------------|----------|---------------------|---------------------|-------------|
| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance |
| Earth | Adequate | Walls Sufficent | Base Sufficent | Adequate |
| Comment: | | | | |
| Corrective Action: | | | | Date: |

| | | | | | |
|--------------------|---|----------|-----------|---------|-----------------------|
| Contents | # | Capacity | Type | Tank ID | SE GPS |
| CONDENSATE | 1 | 300 BBLS | STEEL AST | | 39.691440,-108.947940 |
| Comment: | | | | | |
| Corrective Action: | | | | | Date: |

Paint

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

Berms

| | | | | |
|--------------------|----------|---------------------|---------------------|-------------|
| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance |
| Earth | Adequate | Walls Sufficent | Base Sufficent | Adequate |
| Comment: | | | | |
| Corrective Action: | | | | Date: |

Venting:

| | | |
|--------------------|----|-------|
| Yes/No | NO | |
| Comment: | | |
| Corrective Action: | | Date: |

Flaring:

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

| Inspected Facilities | | | | | | | | | |
|---|--------|-------|------|-------------|-----------|---------|----|---------------|----|
| Facility ID: | 230927 | Type: | WELL | API Number: | 103-08596 | Status: | SI | Insp. Status: | TA |
| Idle Well | | | | | | | | | |
| Purpose: <input type="checkbox"/> Shut In <input checked="" type="checkbox"/> Temporarily Abandoned | | | | | | | | | |
| Reminder: _____ | | | | | | | | | |
| Comment: Last recorded production December 2016. | | | | | | | | | |
| No current MIT. | | | | | | | | | |
| Corrective Action: _____ | | | | | | | | | |
| Date: _____ | | | | | | | | | |

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: [No apparent soil migration, erosion, or soil movement on location.](#)

Corrective Action:

Date: _____

Pits: ☒ NO SURFACE INDICATION OF PIT

Attached Documents

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

| Document Num | Description | URL |
|--------------|----------------------|---|
| 402023800 | INSPECTION SUBMITTED | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4808473 |
| 679703880 | inspection photos | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4808469 |