

**FORM  
INSP**Rev  
05/11**State of Colorado****Oil and Gas Conservation Commission**

1120 Lincoln Street, Suite 801, Denver, Colorado 80205 Phone: (303) 894-2100 Fax: (303) 894-2109



|    |    |    |    |
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| DE | ET | OE | ES |
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Inspection Date:

03/20/2012

Document Number:

667600152

Overall Inspection:

**Violation****FIELD INSPECTION FORM**

|                     |               |               |               |                     |
|---------------------|---------------|---------------|---------------|---------------------|
| Location Identifier | Facility ID   | Loc ID        | Tracking Type | Inspector Name:     |
|                     | <u>245490</u> | <u>323619</u> |               | <u>HICKEY, MIKE</u> |

**Operator Information:**OGCC Operator Number: 10112 Name of Operator: FOUNDATION ENERGY MANAGEMENT LLCAddress: 16000 DALLAS PARKWAY #875City: DALLAS State: TX Zip: 75248-**Contact Information:**

| Contact Name        | Phone                | Email                           | Comment |
|---------------------|----------------------|---------------------------------|---------|
| Eisterhold, Racheal | 918-585-1650 ext 212 | regulatory@foundationenergy.com |         |

**Compliance Summary:**QtrQtr: NWSE Sec: 34 Twp: 2N Range: 66W

| Insp. Date | Doc Num   | Insp. Type | Insp Status | Satisfactory /Unsatisfactory | PA P/F/I | Pas/Fail (P/F) | Violation (Y/N) |
|------------|-----------|------------|-------------|------------------------------|----------|----------------|-----------------|
| 11/26/2010 | 200291658 | PR         | PR          | U                            |          |                | Y               |
| 01/30/2004 | 200049085 | PR         | PR          | S                            |          | P              | N               |
| 03/08/2000 | 200004594 | PR         | PR          | S                            |          | P              | N               |
| 11/30/1998 | 500169726 | PR         | PR          |                              |          | F              | Y               |
| 12/08/1995 | 500169725 | PR         | SI          |                              |          | P              | N               |

**Inspector Comment:**

Follow up inspection of API #05-123-13285, McConahay 33-34. Previous unsatisfactory inspection identified several deficiencies. Some have been addressed. Secondary containment, placards/labels and oil stained soils still need to be addressed.

**Related Facilities:**

| Facility ID | Type     | Status | Status Date | Well Class | API Num   | Facility Name           |                                     |
|-------------|----------|--------|-------------|------------|-----------|-------------------------|-------------------------------------|
| 245490      | WELL     | PR     | 12/01/1997  | OW         | 123-13285 | MCCONAHAY 33-34         | <input checked="" type="checkbox"/> |
| 323619      | LOCATION | AC     | 04/14/2009  |            | -         | MCCONAHAY-62N66W 34NWSE | <input type="checkbox"/>            |

**Equipment:**Location Inventory

|                              |                        |                     |                         |
|------------------------------|------------------------|---------------------|-------------------------|
| Special Purpose Pits: _____  | Drilling Pits: _____   | Wells: _____        | Production Pits: _____  |
| Condensate Tanks: _____      | Water Tanks: _____     | Separators: _____   | Electric Motors: _____  |
| Gas or Diesel Mortors: _____ | Cavity Pumps: _____    | LACT Unit: _____    | Pump Jacks: _____       |
| Electric Generators: _____   | Gas Pipeline: _____    | Oil Pipeline: _____ | Water Pipeline: _____   |
| Gas Compressors: _____       | VOC Combustor: _____   | Oil Tanks: _____    | Dehydrator Units: _____ |
| Multi-Well Pits: _____       | Pigging Station: _____ | Flare: _____        | Fuel Tanks: _____       |

**Location**

Inspector Name: HICKEY, MIKE

| <b>Signs/Marker:</b> |                             |         |   |            |
|----------------------|-----------------------------|---------|---|------------|
| Type                 | Satisfactory/Unsatisfactory | Comment | Corrective Action                       | CA Date    |
| WELLHEAD             | Unsatisfactory              |         | Install sign to comply with rule 210.b. | 05/01/2012 |
| BATTERY              | Satisfactory                |         |   |            |

Emergency Contact Number: (S/U/V) Satisfactory Corrective Date: \_\_\_\_\_

Comment: \_\_\_\_\_

Corrective Action: \_\_\_\_\_

| <b>Spills:</b> |          |           |   |            |
|----------------|----------|-----------|---|------------|
| Type           | Area     | Volume    | Corrective action                             | CA Date    |
| Crude Oil      | WELLHEAD | <= 5 bbls | Remove or remediate oil stained soils on site | 05/01/2012 |

☐ Multiple Spills and Releases?

| <b>Fencing/:</b> |                             |         |                   |         |
|------------------|-----------------------------|---------|-------------------|---------|
| Type             | Satisfactory/Unsatisfactory | Comment | Corrective Action | CA Date |
| PUMP JACK        | Satisfactory                |         |                   |         |

| <b>Equipment:</b>       |   |                             |   |   |            |
|-------------------------|---|-----------------------------|---|---|------------|
| Type                    | # | Satisfactory/Unsatisfactory | Comment   | Corrective Action                                 | CA Date    |
| Pump Jack               | 1 | Unsatisfactory              | Bridle has been reset (incorrectly?), but there is no electric motor/belts are hanging. | Place well on production.                         | 05/01/2012 |
| Vertical Heater Treater | 1 | <b>Violation</b>            |   | Provide secondary containment around all vessels. | 05/01/2012 |
| Bird Protectors         | 1 | Satisfactory                |   |   |            |

| <b>Tanks/Berms:</b>               |   |                |           |                             |
|-----------------------------------|---|----------------|-----------|-----------------------------|
| <input type="checkbox"/> New Tank |   | Tank ID: _____ |           |                             |
| Contents                          | #                                       | Capacity       | Type      | SE GPS                      |
| CRUDE OIL                         | 1                                       | 300 BBLS       | STEEL AST | 40.092330,104.761120        |
| S/U/V: <b>Violation</b>           | Comment: _____                          |                |           |                             |
| Corrective Action:                | Label tanks with capacity/repair berms. |                |           | Corrective Date: 05/01/2012 |

**Paint**

|           |          |
|-----------|----------|
| Condition | Adequate |
|-----------|----------|

Other (Content) \_\_\_\_\_

Other (Capacity) \_\_\_\_\_

Other (Type) \_\_\_\_\_

| <b>Berms</b>      |   |                     |                     |                             |
|-------------------|---|---------------------|---------------------|-----------------------------|
| Type              | Capacity                                      | Permeability (Wall) | Permeability (Base) | Maintenance                 |
| Earth             | Inadequate                                    |                     |                     |                             |
| Corrective Action | Repair/provide berms around tanks, separator. |                     |                     | Corrective Date: 05/01/2012 |
| Comment           | _____   |                     |                     |                             |

Inspector Name: HICKEY, MIKE

|  |                             |                     |                     |                  |
|--|-----------------------------|---------------------|---------------------|------------------|
| <b>Tanks/Berms:</b> <input type="checkbox"/> New Tank Tank ID: _____ |                             |                     |                     |                  |
| Contents   | #                           | Capacity            | Type                | SE GPS           |
| PRODUCED WATER   | 1                           | 200 BBLS            | FIBERGLASS AST      | ,                |
| S/U/V:   | Comment:                    |                     |                     |                  |
| Corrective Action:   |                             |                     |                     | Corrective Date: |
| <b>Paint</b>   |                             |                     |                     |                  |
| Condition  |                             |                     |                     |                  |
| Other (Content)  |                             |                     |                     |                  |
| Other (Capacity)   |                             |                     |                     |                  |
| Other (Type)   |                             |                     |                     |                  |
| <b>Berms</b>   |                             |                     |                     |                  |
| Type   | Capacity                    | Permeability (Wall) | Permeability (Base) | Maintenance      |
|  |                             |                     |                     |                  |
| Corrective Action  |                             |                     |                     | Corrective Date  |
| Comment  |                             |                     |                     |                  |
| <b>Venting:</b>  |                             |                     |                     |                  |
| Yes/No   | Comment                     |                     |                     |                  |
|  |                             |                     |                     |                  |
| <b>Flaring:</b>  |                             |                     |                     |                  |
| Type   | Satisfactory/Unsatisfactory | Comment             | Corrective Action   | CA Date          |
|  |                             |                     |                     |                  |

**Predrill**

Location ID: 323619

**Site Preparation:**

Lease Road Adeq.: \_\_\_\_\_

Pads: \_\_\_\_\_

Soil Stockpile: \_\_\_\_\_

Corrective Action: \_\_\_\_\_

Date: \_\_\_\_\_ CDP Num.: \_\_\_\_\_

**Form 2A COAs:****Wildlife BMPs:****Stormwater:****Comment:** \_\_\_\_\_**Staking:****On Site Inspection (305):**Surface Owner Contact Information:

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Phone Number: \_\_\_\_\_

Cell Phone: \_\_\_\_\_

Operator Rep. Contact Information:

Landman Name: \_\_\_\_\_

Phone Number: \_\_\_\_\_

Date Onsite Request Received: \_\_\_\_\_

Date of Rule 306 Consultation: \_\_\_\_\_

Request LGD Attendance: \_\_\_\_\_

LGD Contact Information:

Name: \_\_\_\_\_ Phone Number: \_\_\_\_\_ Agreed to Attend: \_\_\_\_\_

Summary of Landowner Issues:Summary of Operator Response to Landowner Issues:Onsite Inspection Memorandum Summarizing Discussions at Inspection as Attachment:**Well**

Facility ID: 245490 API Number: 123-13285 Status: PR Insp. Status: PR

**Environmental****Spills/Releases:**

Type of Spill: \_\_\_\_\_ Description: \_\_\_\_\_ Estimated Spill Volume: \_\_\_\_\_

Comment: \_\_\_\_\_

Corrective Action: \_\_\_\_\_ Date: \_\_\_\_\_

Reportable: \_\_\_\_\_ GPS: Lat \_\_\_\_\_ Long \_\_\_\_\_

Proximity to Surface Water: \_\_\_\_\_ Depth to Ground Water: \_\_\_\_\_

**Water Well:**

DWR Receipt Num: \_\_\_\_\_ Owner Name: \_\_\_\_\_ GPS : \_\_\_\_\_ Lat \_\_\_\_\_ Long \_\_\_\_\_

**Field Parameters:**

Sample Location: \_\_\_\_\_

Inspector Name: HICKEY, MIKE

Emission Control Burner (ECB): \_\_\_\_\_

Comment: \_\_\_\_\_

Pilot: \_\_\_\_\_ Wildlife Protection Devices (fired vessels): \_\_\_\_\_

**Reclamation - Storm Water - Pit**

**Interim Reclamation:**

Date Interim Reclamation Started: \_\_\_\_\_ Date Interim Reclamation Completed: \_\_\_\_\_

Land Use: \_\_\_\_\_

Comment: \_\_\_\_\_

1003a. Debris removed? \_\_\_\_\_ CM \_\_\_\_\_

CA \_\_\_\_\_ CA Date \_\_\_\_\_

Waste Material Onsite? \_\_\_\_\_ CM \_\_\_\_\_

CA \_\_\_\_\_ CA Date \_\_\_\_\_

Unused or unneeded equipment onsite? \_\_\_\_\_ CM \_\_\_\_\_

CA \_\_\_\_\_ CA Date \_\_\_\_\_

Pit, cellars, rat holes and other bores closed? \_\_\_\_\_ CM \_\_\_\_\_

CA \_\_\_\_\_ CA Date \_\_\_\_\_

Guy line anchors removed? \_\_\_\_\_ CM \_\_\_\_\_

CA \_\_\_\_\_ CA Date \_\_\_\_\_

Guy line anchors marked? \_\_\_\_\_ CM \_\_\_\_\_

CA \_\_\_\_\_ CA 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 REVEGETATION**

Cropland

Top soil replaced \_\_\_\_\_ Recontoured \_\_\_\_\_ Perennial forage re-established \_\_\_\_\_

Non-Cropland

Top soil replaced \_\_\_\_\_ Recontoured \_\_\_\_\_ 80% Revegetation \_\_\_\_\_

1003 f. Weeds Noxious weeds? \_\_\_\_\_

Comment: \_\_\_\_\_

Overall Interim Reclamation \_\_\_\_\_

**Final Reclamation/ Abandoned Location:**

Date Final Reclamation Started: \_\_\_\_\_ Date Final Reclamation Completed: \_\_\_\_\_

Final Land Use: \_\_\_\_\_

Reminder: \_\_\_\_\_

Comment: \_\_\_\_\_

Inspector Name: HICKEY, MIKE

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 \_\_\_\_\_  
Comment: \_\_\_\_\_  
Corrective Action: \_\_\_\_\_ Date \_\_\_\_\_

Overall Final Reclamation

**Storm Water:**

| Loc Erosion BMPs                    | BMP Maintenance | Lease Road Erosion BMPs | Lease BMP Maintenance | Chemical BMPs | Chemical BMP Maintenance | Comment |
|-------------------------------------|-----------------|-------------------------|-----------------------|---------------|--------------------------|---------|
|                                     |                 |                         |                       |               |                          |         |
| S/U/V: _____ Corrective Date: _____ |                 |                         |                       |               |                          |         |
| Comment: _____                      |                 |                         |                       |               |                          |         |
| CA: _____                           |                 |                         |                       |               |                          |         |