

FORM INSP Rev 05/11	State of Colorado Oil and Gas Conservation Commission 1120 Lincoln Street, Suite 801, Denver, Colorado 80203 Phone: (303) 894-2100 Fax: (303) 894-2109		DE ET OE ES
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FIELD INSPECTION FORM

Location Identifier	Facility ID 115269	Loc ID 324639	Inspector Name: FISCHER, ALEX	On-Site Inspection <input type="checkbox"/>	2A Doc Num: _____
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Inspection Date:
05/10/2013

Document Number:
667100033

Overall Inspection:
Violation

Operator Information:

OGCC Operator Number: 10112 Name of Operator: FOUNDATION ENERGY MANAGEMENT LLC

Address: 16000 DALLAS PARKWAY #875

City: DALLAS State: TX Zip: 75248-

Contact Information:

Contact Name	Phone	Email	Comment
JENKINS, STEVE		steve.jenkins@state.co.us	
Sauer, Joel	(918) 585-1650	jsauer@foundationenergy.com	
wilson, bill	918-585-1650	bwilson@foundationenergy.com	
NEIDEL, KRIS		kris.neidel@state.co.us	
Bryan, Chris	(936) 514-8351	cbryan@foundationenergy.c	
Eisterhold, Racheal	918-585-1650 ext 212	regulatory@foundationenergy.com	
Stark, Matt	(303) 861-0504 x203	mstark@foundationenergy.com	Operations Engineer

Compliance Summary:

QtrQtr: _____ Sec: _____ Twp: _____ Range: _____

Insp. Date	Doc Num	Insp. Type	Insp Status	Satisfactory /Unsatisfactory	PA P/F/I	Pas/Fail (P/F)	Violation (Y/N)
01/13/2012	659800003			V			Y

Inspector Comment:

May 8, 2013 Field Inspection COGCC Representatives: Alex Fischer, Environmental Supervisor Steve Jenkins, Engineering Technician 08:45

On site • Current sign does not reflect the current operator. • There was visual oil staining on the soil beneath the valves in the load out. Wrenches were left on valves which could easily be opened by livestock or other, if gates are not continually secured. • Recent oil spill and staining on top and down the sides of the northern tank. • Leaking plug on the northern tank with oil staining on the ground. • Pit has not been closed in accordance to the approved Form 27 (Document Number 1949103 and REM Number 6937). • Pit has less than 2 feet of freeboard (approximately 18-inches) Rule 902.b. • Oil staining on ground surface outside of the separator house in the northwest corner. • Separator house: various valves, fittings, couplings are leaking oil onto equipment and the ground surface. • Recent oil E&P waste release (oil staining on the ground surface and vegetation) on the west side of the produce water tank near the propane tank. Aerial extend is approximately 10' x 20'. Foundation Energy Management LLC shall: • File a completed Form 19 (Spill Report) within 10-days of this notification to: Alex Fischer, Environmental Protection Specialist (EPS)/Environmental Supervisor: alex.fischer@state.co.us, • Notify the surface owner of this release of E&P Waste within 24 hours of this notification (Rule 906.c). • Immediately cleanup and remediate impacted vegetation and soil with confirmation sampling per the 900 Series Rules and 910-1 table of constituents of ALL soil stained areas. • Provide haul tickets (waste manifests) on the disposal of the impacted material, and • Provide to the COGCC EPS/Environmental Supervisor: alex.fischer@state.co.us a compliance schedule for the closure of Pit Facility ID: 115269

Related Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	
115269	PIT				-	ALLARD 1	<input checked="" type="checkbox"/>
212231	WELL	PR	12/27/2005	OW	057-06124	ALLARD 30-8-5	<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

Emergency Contact Number: (S/U/V) _____ Corrective Date: _____

Comment: _____

Corrective Action: _____

Spills:

Type	Area	Volume	Corrective action	CA Date
<input type="checkbox"/> Multiple Spills and Releases?				

Venting:

Yes/No	Comment

Flaring:

Type	Satisfactory/Unsatisfactory	Comment	Corrective Action	CA Date

Predrill

Location ID: 324639

Site Preparation:

Lease Road Adeq.: _____ Pads: _____ Soil Stockpile: _____
 Corrective Action: _____ Date: _____ CDP Num.: _____

Form 2A COAs:

Comment: _____

CA: _____ **Date:** _____

Wildlife BMPs:

Comment: _____

CA: _____ **Date:** _____

Stormwater:

Erosion BMPs	Present	Other BMPs	Present

Corrective Action: _____ Date: _____

Comments: Erosion BMPs: _____
 Other BMPs: _____

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:

Facility

Facility ID: 115269 Type: PIT API Number: - Status: _____ Insp. Status: AO

Environmental

Spills/Releases:

Type of Spill: OIL Description: oil/water 10'x20' Estimated Spill Volume: _____

Comment: • There was visual oil staining on the soil beneath the valves in the load out. Wrenches were left on valves which could easily be opened by livestock or other, if gates are not continually secured. • Recent oil spill and staining on top and down the sides of the northern tank. • Leaking plug on the northern tank with oil staining on the ground. • Pit has less than 2 feet of freeboard (approximately 18-inches) Rule 902.b. • Oil staining on ground surface outside of the separator house in the northwest corner. • Separator house: various valves, fittings, couplings are leaking oil onto equipment and the ground surface. • Recent oil E&P waste release (oil staining on the ground surface and vegetation) on the west side of the produce water tank near the propane tank. Aerial extend is approximately 10' x 20'. Foundation Energy Management LLC shall: • File a completed Form 19 (Spill Report) within 10-days of this notification to: Alex Fischer, Environmental Protection Specialist (EPS)/Environmental Supervisor: alex.fischer@state.co.us, • Notify the surface owner of this release of E&P Waste within 24 hours of this notification (Rule 906.c.) • Immediately cleanup and remediate impacted vegetation and soil with confirmation sampling per the 900 Series Rules and 910-1 table of constituents, of ALL oil staining at the location. • Provide haul tickets (waste manifests) on the disposal of the impacted material, and • Provide to the COGCC EPS/Environmental Supervisor: alex.fischer@state.co.us a compliance schedule for the closure

Corrective Action: May 8, 2013 Field Inspection **Date:** 05/24/2013

Reportable: YES **GPS: Lat** 40.818110 **Long** -106.299879

Proximity to Surface Water: 20 **Depth to Ground Water:** _____

Water Well:

DWR Receipt Num: _____ **Owner Name:** _____ **GPS:** _____ **Lat** _____ **Long** _____

Field Parameters:

Sample Location: _____

Waste Management:

Type	Management	Condition	Comment	GPS (Lat)	(Long)
Oily Soil	Other	Inadequate	Visual oil staining on soil and vegetation and leaking fittings, valves, couplings etc. on piping throughout facility.	40.818110	- 106.299879

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: _____

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

Multi-Well Location

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: _____

Pits:
Pit Type: Produced Water Lined: NO Pit ID: 115269 Lat: 40.811862 Long: -106.300443

Lining:
Liner Type: _____ Liner Condition: _____
Comment: _____

Fencing:
Fencing Type: Livestock Fencing Condition: Adequate
Comment: _____

Netting:
Netting Type: _____ Netting Condition: _____
Comment: no netting

Anchor Trench Present: _____ Oil Accumulation: NO 2+ feet Freeboard: _____

Pit (S/U/V): **Violation** Comment: **Pit has not been closed in accordance to the approved Form 27 (Document Number 1949103 and REM Number 6937).**

Corrective Action: **Provide to the COGCC EPS/Environmental Supervisor: alex.fischer@state.co.us a compliance schedule for the closure of Pit Facility ID: 115269.** Date: **05/24/2013**

Attached Documents

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

Document Num	Description	URL
667100034	Recent E&P release	DSCN0029.JPG
667100035	Leaking fittings	DSCN0030.JPG
667100036	Recent E&P release	DSCN0027.JPG
667100037	Oil Staining near NWC of Separator house	DSCN0026.JPG
667100038	Recent E&P release, leaking plug	DSCN0023.JPG
667100039	Pit Facility 115269 Less than 2' freeboard	DSCN0024.JPG
667100040	Leaking valve/plug with wrench	DSCN0021.JPG
667100041	Sign	DSCN0019.JPG