

**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 |
|----|----|----|----|
|----|----|----|----|

Inspection Date:
05/08/2014Document Number:
667400383

Overall Inspection:

ACTION REQUIRED**FIELD INSPECTION FORM**

| | | | | | |
|---------------------|-------------|--------|-----------------|--------------------------|-------------|
| Location Identifier | Facility ID | Loc ID | Inspector Name: | On-Site Inspection | 2A Doc Num: |
| | 242846 | 319078 | ALLISON, RICK | <input type="checkbox"/> | |

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

- ☐ THIS IS A FOLLOW UP INSPECTION
- ☒ FOLLOW UP INSPECTION REQUIRED
- ☐ NO FOLLOW UP INSPECTION REQUIRED
- ☐ INSPECTOR REQUESTS FORM 42 WHEN CORRECTIVE ACTIONS ARE COMPLETED

Contact Information:

| Contact Name | Phone | Email | Comment |
|-------------------|-------|----------------------------------|-------------------|
| Rachel Eisterhold | | reisterhold@foundationenergy.com | Foundation Energy |

Compliance Summary:QtrQtr: NWSE Sec: 28 Twp: 8N Range: 58W

| Insp. Date | Doc Num | Insp. Type | Insp Status | Satisfactory /Action Required | PA P/F/I | Pas/Fail (P/F) | Violation (Y/N) |
|------------|-----------|------------|-------------|-------------------------------|----------|----------------|-----------------|
| 07/31/2013 | 664001166 | IJ | AC | SATISFACTOR Y | | | No |
| 07/11/2012 | 663400595 | IJ | SI | SATISFACTOR Y | P | | No |
| 05/18/2011 | 200310581 | RT | AC | SATISFACTOR Y | | | No |
| 05/03/2010 | 200246625 | RT | AC | SATISFACTOR Y | | | No |
| 05/13/2008 | 200189990 | MI | AC | SATISFACTOR Y | | | No |
| 04/24/2008 | 200130644 | RT | AC | ACTION REQUIRED | | | Yes |
| 08/29/2007 | 200118194 | RT | AC | SATISFACTOR Y | | | No |
| 06/19/2006 | 200093892 | RT | AC | SATISFACTOR Y | | Pass | No |
| 06/28/2005 | 200073230 | MI | AC | SATISFACTOR Y | | Pass | No |
| 02/25/2004 | 200050548 | RT | AC | SATISFACTOR Y | | Pass | No |
| 04/15/2003 | 200037611 | RT | AC | SATISFACTOR Y | | Pass | No |
| 08/01/2002 | 200029319 | RT | AC | SATISFACTOR Y | | Pass | No |
| 07/15/2002 | 200028885 | PR | PR | ACTION REQUIRED | | Fail | Yes |
| 08/21/2001 | 200019168 | RT | AC | SATISFACTOR Y | | Pass | No |

Inspector Name: ALLISON, RICK

| | | | | | | | |
|------------|-----------|----|----|--------------|--|------|----|
| 06/29/2000 | 200008065 | MI | AC | SATISFACTORY | | Pass | No |
| 06/27/2000 | 200008058 | MI | AC | SATISFACTORY | | Fail | No |
| 03/14/1995 | 500165875 | MI | AC | | | Pass | No |

Inspector Comment:

COGCC inspected this location in response to a landowner complaint #200404223 regarding the reclamation of spill #2145522. See the spills section of this inspection report for required corrective actions.

Related Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status | |
|-------------|------|--------|-------------|------------|-----------|-------------------|-------------|-------------------------------------|
| 242846 | WELL | IJ | 09/16/2007 | ERIW | 123-10637 | SOONER UNIT 10-28 | EI | <input checked="" type="checkbox"/> |

Equipment:

Location Inventory

| | | | |
|-----------------------------|------------------------|---------------------|-------------------------|
| Special Purpose Pits: _____ | Drilling Pits: _____ | Wells: _____ | Production Pits: _____ |
| Condensate Tanks: _____ | Water Tanks: _____ | Separators: _____ | Electric Motors: _____ |
| Gas or Diesel Motors: _____ | 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/A/V): _____ Corrective Date: _____

Comment: _____

Corrective Action: _____

Spills:

| Type | Area | Volume | Corrective action | CA Date |
|------|------|--------|-------------------|---------|
|------|------|--------|-------------------|---------|

☐ Multiple Spills and Releases?

Venting:

| Yes/No | Comment |
|--------|---------|
| | |

Flaring:

| Type | Satisfactory/Action Required | Comment | Corrective Action | CA Date |
|------|------------------------------|---------|-------------------|---------|
| | | | | |

Predrill

Location ID: 242846

Site Preparation:

Lease Road Adeq.: _____ Pads: _____ Soil Stockpile: _____

S/A/V: _____

Corrective Action: _____ Date: _____ CDP Num.: _____

Form 2A COAs:**S/A/V:** _____ **Comment:** _____**CA:** _____ **Date:** _____**Wildlife BMPs:****S/A/V:** _____ **Comment:** _____**CA:** _____ **Date:** _____**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:**Facility**

Facility ID: 242846 Type: WELL API Number: 123-10637 Status: IJ Insp. Status: EI

Environmental**Spills/Releases:**

Type of Spill: WATER Description: _____ Estimated Spill Volume: _____

Comment: Provide the information requested by John Axelson in July and August of 2013. The requested information included: a Form 27 with a summary of the analytical results compared to Table 910-1 Standards for BTEX and TPH for soil remaining in the flowline excavation, a copy of the lab report, and haul tickets or manifests for the disposal of impacted soil. In addition, reclamation has not been fully implemented on the hillside. Therefore, provide a schedule for reseeding the affected hillside and photo documentation of installed erosion control BMPs to prevent erosion of the bare soil on the hillside. The Form 27 should also include scaled site diagrams that show the release location and sampling points. The erosion control should be installed immediately and the Form 27 and supporting documentation should be submitted within 14 days (May 23, 2014).

Inspector Name: ALLISON, RICK

| | | | | |
|--|---------------------------|--|--|---------------|
| Corrective Action: Submit Form 27 and install erosion control BMPs | | Date: 05/23/2014 | | |
| Reportable: _____ | GPS: Lat <u>40.640960</u> | Long <u>-103.863320</u> | | |
| Proximity to Surface Water: _____ | | Depth to Ground Water: _____ | | |
| Water Well: | | | | |
| DWR Receipt Num: _____ | Owner Name: _____ | GPS : _____ | Lat _____ Long _____ | |
| Field Parameters: | | | | |
| Sample Location: _____ | | | | |
| Complaint: | | | | |
| Tracking Num | Category | Assigned To | Description | Incident Date |
| 200404223 | SPILLS | ALLISON, RICK | Area affected by spill in July of 2013 has been improperly reseeded and lacks erosion control. | 05/07/2014 |
| 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 | | | | |

Inspector Name: ALLISON, RICK

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 _____

Well Release on Active Location ☐

Multi-Well Location ☐

Storm Water:

| Loc Erosion BMPs | BMP Maintenance | Lease Road Erosion BMPs | Lease BMP Maintenance | Chemical BMPs | Chemical BMP Maintenance | Comment |
|------------------|-----------------|-------------------------|-----------------------|---------------|--------------------------|---------|
| | | | | | | |

S/A/V: _____ Corrective Date: _____

Comment: _____

CA: _____

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 |
|--------------|---------------------------------------|---|
| 667400384 | Photograph of leak area and hill side | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3340157 |