

**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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Inspection Date:  
05/08/2014

Document Number:  
667400390

Overall Inspection:

**ACTION REQUIRED**

**FIELD INSPECTION FORM**

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	<u>245270</u>	<u>323461</u>	<u>ALLISON, RICK</u>	<input type="checkbox"/>	

**Operator Information:**

OGCC Operator Number:	<u>10112</u>
Name of Operator:	<u>FOUNDATION ENERGY MANAGEMENT LLC</u>
Address:	<u>16000 DALLAS PARKWAY #875</u>
City:	<u>DALLAS</u> State: <u>TX</u> Zip: <u>75248-</u>

- 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
Eisterhold, Rachel		reisterhold@foundationenergy.com	

**Compliance Summary:**

QtrQtr:	Sec:	Twp:	Range:				
<u>NWNE</u>	<u>28</u>	<u>8N</u>	<u>58W</u>				
Insp. Date	Doc Num	Insp. Type	Insp Status	Satisfactory /Action Required	PA P/F/I	Pas/Fail (P/F)	Violation (Y/N)
10/10/2012	663300662	PR	PR	SATISFACTOR Y	P		No
06/17/2010	200255983	CO	PR	ACTION REQUIRED			Yes
03/03/2008	200127600	CO	PR	ACTION REQUIRED			Yes
10/04/2007	200119990	PR	PR	SATISFACTOR Y			No
09/21/2007	200119751	PR	UN	ACTION REQUIRED			Yes
10/04/2006	200097973	PR	PR	SATISFACTOR Y		Pass	No
12/20/2000	200012379	PR	PR	SATISFACTOR Y		Pass	No
03/14/1995	500169434	MI	AC			Pass	No

**Inspector Comment:**

An ongoing water release is present in the south heater treater building. In addition, the north treater building has had multiple small releases or a recent large release.

**Related Facilities:**

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status	
245270	WELL	PR	12/13/2012	OW	123-13065	SOONER UNIT 2-28	EI	<input checked="" type="checkbox"/>

**Equipment:**

Location Inventory

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Inspector Name: ALLISON, RICK

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): SATISFACTORY Corrective Date: \_\_\_\_\_

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

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

<b>Spills:</b>				
Type	Area	Volume	Corrective action	CA Date
Crude Oil	Treater	> 5 bbls	See environmental-spills section of this report	05/23/2014
Produced Water	Treater	<= 5 bbls	See environmental-spills section of this report	05/23/2014

Multiple Spills and Releases?

<b>Equipment:</b>					
Type	#	Satisfactory/Action Required	Comment	Corrective Action	CA Date

<b>Venting:</b>	
Yes/No	Comment

<b>Flaring:</b>				
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date

**Predrill**

Location ID: 245270

**Site Preparation:**

Lease Road Adeq.: \_\_\_\_\_ Pads: \_\_\_\_\_ Soil Stockpile: \_\_\_\_\_

**S/AV:** \_\_\_\_\_

Corrective Action: \_\_\_\_\_ Date: \_\_\_\_\_ CDP Num.: \_\_\_\_\_

**Form 2A COAs:**

**S/AV:** \_\_\_\_\_ **Comment:** \_\_\_\_\_

**CA:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**Wildlife BMPs:**

**S/AV:** \_\_\_\_\_ **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: 245270 Type: WELL API Number: 123-13065 Status: PR Insp. Status: EI

**Environmental**

**Spills/Releases:**

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

Comment: Produced water was leaking from a fitting inside the south treater building (40.64039 / -103.86286. COGCC verbally reported this release to Reggie Schmidt on 5/8/2014. Immediately repair this leak and investigate the extent of release for impact to surface soil and the subsurface. The release has spread outside the treater building. No containment exists for this treater building so any release > 1bbl is reportable to COGCC and the local emergency authority. A second release has occurred inside the north treater building (40.64070 / -103.86291). This release amounts to > 1 bbl and is also reportable. Submit a Form 19 to document the release in the north treater building and a Form 27 for remediation of the north treater release.

Corrective Action: Repair leak, remediate soil, report release per Rule 906.b. Date: 05/10/2014  
 Reportable: YES GPS: Lat 40.640390 Long -103.862860  
 Proximity to Surface Water: \_\_\_\_\_ Depth to Ground Water: \_\_\_\_\_

**Water Well:** \_\_\_\_\_ Lat \_\_\_\_\_ Long \_\_\_\_\_  
 DWR Receipt Num: \_\_\_\_\_ Owner Name: \_\_\_\_\_ GPS: \_\_\_\_\_

**Field Parameters:** \_\_\_\_\_

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

**Complaint:**

Tracking Num	Category	Assigned To	Description	Incident Date
200256112	WEEDS	HORTON, COLBY	Noxious weeds (Diffuse knapweed) identified by neighboring landowner.	06/21/2010

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 \_\_\_\_\_ 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

Pit Type: Skimming/Settling Lined: NO Pit ID: \_\_\_\_\_ Lat: \_\_\_\_\_ Long: \_\_\_\_\_

**Lining:**

Liner Type: \_\_\_\_\_ Liner Condition: \_\_\_\_\_

Comment: unlined skim pit, although no oil present

**Fencing:**

Fencing Type: \_\_\_\_\_ Fencing Condition: \_\_\_\_\_

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

**Netting:**

Netting Type: Mesh Netting Condition: Sagging into pit

Comment: net is sagging into pit, allowing wildlife entry, although no oil was present

Anchor Trench Present: \_\_\_\_\_ Oil Accumulation: NO 2+ feet Freeboard: \_\_\_\_\_

Pit (S/A/V): ACTION Comment: repair net to prevent wildlife entry

Corrective Action: repair net to prevent wildlife entry

Date: 05/23/2014

Pit Type: Produced Water Lined: NO Pit ID: \_\_\_\_\_ Lat: \_\_\_\_\_ Long: \_\_\_\_\_

**Lining:**

Liner Type: \_\_\_\_\_ Liner Condition: \_\_\_\_\_

Comment: unlined produced water pit

**Fencing:**

Fencing Type: Livestock Fencing Condition: Inadequate

Comment: evidence of cattle (cowpies) is present in pit, fence is in poor condition

**Netting:**

Netting Type: \_\_\_\_\_ Netting Condition: \_\_\_\_\_

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

Anchor Trench Present: \_\_\_\_\_ Oil Accumulation: NO 2+ feet Freeboard: \_\_\_\_\_

Pit (S/A/V): ACTION Comment: \_\_\_\_\_

Corrective Action: Repair fence to prevent further livestock access to pit

Date: 05/23/2014

**Attached Documents**

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

Document Num	Description	URL
667400392	Photograph of release on surface at south treater	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3340161">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3340161</a>
667400394	Photograph of release inside north treater bldg(1)	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3340162">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3340162</a>
667400396	Photograph of release extent outside north treater	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3340163">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3340163</a>
667400397	Photograph of release inside north treater bldg(2)	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3340164">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3340164</a>