

**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:  
07/28/2014Document Number:  
668302065

Overall Inspection:

**ACTION REQUIRED****FIELD INSPECTION FORM**

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection <input type="checkbox"/>
	239775	317682	JOHNSON, RANDELL	2A Doc Num: _____

**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
Eisterhold, Rachael	918-585-1650 X-212	regulatory@foundationenergy.com	Regulatory

**Compliance Summary:**QtrQtr: SENV Sec: 31 Twp: 2N Range: 68W

Insp. Date	Doc Num	Insp. Type	Insp Status	Satisfactory /Action Required	PA P/F/I	Pas/Fail (P/F)	Violation (Y/N)
10/09/2013	666900074			SATISFACTOR Y			No
09/01/2006	200096597	PR	SI	SATISFACTOR Y		Fail	No
03/03/1998	500161421	PR	PR			Pass	No

**Inspector Comment:****Related Facilities:**

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status	
239775	WELL	PR	10/01/2012	OW	123-07563	CINQUE 3	TA	<input checked="" type="checkbox"/>
435329	TANK BATTERY	AC	12/09/2013		-	Cinque Tank Battery 435329	AC	<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**

<b>Signs/Marker:</b>				
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
WELLHEAD	ACTION REQUIRED	No signage at wellhead - i.e., well name, well location, operator name and emergency contact information - See attached photos on last page of document	Install sign to comply with rule 210.	08/28/2014

Emergency Contact Number (S/A/V): ACTION Corrective Date: 08/28/2014

Comment: No emergency contact information signage at wellhead

Corrective Action: Provide emergency contact information signage at wellhead

<b>Good Housekeeping:</b>				
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
TRASH	ACTION REQUIRED	Trash exposed above surface of water over submerged/abandoned facilities and equipment - See attached photos on last page of document	Remove trash	09/28/2014
UNUSED EQUIPMENT	ACTION REQUIRED	Pieces of piping, valving, etc. exposed above waterline over submerged/abandoned facilities and equipment - See attached photos on last page of document	Remove unused equipment	09/28/2014

<b>Spills:</b>				
Type	Area	Volume	Corrective action	CA Date

☐ Multiple Spills and Releases?

<b>Equipment:</b>					
Type	#	Satisfactory/Action Required	Comment	Corrective Action	CA Date
Other		ACTION REQUIRED	Equipment underwater	Water must be drained and all equipment, and ancillary equipment, removed	10/28/2014

<b>Facilities:</b>		<input type="checkbox"/> New Tank		Tank ID: _____	
Contents	#	Capacity	Type	SE GPS	
			CENTRALIZED BATTERY	40.096562,-105.047079	
S/A/V:			Comment: Tanks removed		
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			
NO					
<b>Flaring:</b>					
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date	

**Predrill**

Location ID: 239775

**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: 239775 Type: WELL API Number: 123-07563 Status: PR Insp. Status: TA

**Idle Well**Purpose: ☐ Shut In☒ Temporarily Abandoned

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

S/A/V: \_\_\_\_\_

CA Date: **08/28/2014**

CA: Well must be either:

1) Per COGCC Rule 326.b.(1) a successful mechanical integrity test shall be performed on each temporarily abandoned well within thirty (30) days of the date the well becomes incapable of production or

2) Be properly plugged and abandoned.

3) A sundry requesting continued temporarily abandoned status should be submitted to Bob Koehler at the COGCC within thirty (30) days of receipt of this report - the sundry should detail the plan for the future operation of the well and the way the well is closed to the atmosphere. Shut-in and temporarily abandoned wells must be properly reported on COGCC Form 7, Operator's Monthly Production Report.

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

**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: \_\_\_\_\_

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 \_\_\_\_\_

Inspector Name: JOHNSON, RANDELL

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
Other	Fail					Vegetation
Compaction	Fail					
Gravel	Fail					

S/A/V: ACTION  
REQUIRED

Corrective Date: 10/28/2014

Comment: Abandoned facility and equipment location was inundated with stormwater prior to the proper removal of equipment and reclamation of site. See attached photos on last page of document.

CA: Site must be drained of stormwater and equipment removed - i.e., flowlines, piping, valving, trash, etc., and site properly reclaimed and inspected.

Pits: ☐ NO SURFACE INDICATION OF PIT**COGCC Comments**

Comment	User	Date
Additionally, the facilities and equipment for the Cinque battery site were submerged in stormwater prior to proper removal of the equipment and reclamation of the site by the operator as evidenced by exposed flowlines and piping above the waterline. (See attached photos on last page of document.) The facility site area underwater will have to be drained and a proper removal of all equipment (i.e., flowlines, piping, trash, etc.) performed and a final reclamation completed and inspected.	johnsonr	07/28/2014
Incidentally, the operator opted to plug and abandon the wells. Notice was given to COGCC via Form 42's spread out over a period of over 100 days from the initial notice. Subsequently, only one attempt has been made toward the execution of the anticipated operations (the Cinque #3), and because of a lost fish in the hole, the attempt was abandoned and the well sits in limbo in violation of the COGCC requirements for a mechanical integrity test or a plug and abandon procedure.	johnsonr	07/28/2014
The September 2013 floods damaged the facilities and equipment of the Foundation - Cinque battery (the battery serviced 5 wells - Cinque 1,2,3,4 & 5) to such an extent that it became economically infeasible to repair the damage and return the wells to production.	johnsonr	07/28/2014

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

Document Num	Description	URL
668302066	Foundation - Cinque #3 (123-07563) (1)	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3395525">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3395525</a>
668302067	Foundation - Cinque #3 (123-07563) (2)	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3395526">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3395526</a>
668302068	Foundation - Cinque #3 (123-07563) (3)	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3395527">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3395527</a>
668302069	Foundation - Cinque #3 (123-07563) (4)	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3395528">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3395528</a>
668302070	Foundation - Cinque #3 (123-07563) (5)	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3395529">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3395529</a>
668302071	Foundation - Cinque #3 (123-07563) (6)	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3395530">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3395530</a>
668302072	Foundation - Cinque #3 (123-07563) (7)	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3395531">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3395531</a>
668302073	Foundation - Cinque #3 (123-07563) (8)	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3395532">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3395532</a>
668302074	Foundation - Cinque #3 (123-07563) (9)	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3395533">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3395533</a>
668302075	Foundation - Cinque #3 (123-07563) (10)	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3395534">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3395534</a>
668302076	Foundation - Cinque #3 (123-07563) (11)	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3395535">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3395535</a>
668302077	Foundation - Cinque #3 (123-07563) (12)	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3395536">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3395536</a>

668302078	Foundation - Cinque #3 (123-07563) (13)	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3395537">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3395537</a>