

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



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Inspection Date:
10/27/2014

Document Number:
668302927

Overall Inspection:

ACTION REQUIRED

FIELD INSPECTION FORM

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection <input type="checkbox"/>	2A Doc Num: _____
	242341	318866	JOHNSON, RANDELL		

Operator Information:

OGCC Operator Number: 10112

Name of Operator: FOUNDATION ENERGY MANAGEMENT LLC

Address: 16000 DALLAS PARKWAY #875

City: 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: SWNE Sec: 36 Twp: 2N Range: 67W

Insp. Date	Doc Num	Insp. Type	Insp Status	Satisfactory /Action Required	PA P/F/I	Pas/Fail (P/F)	Violation (Y/N)
12/30/2013	600000553	PR	SI	ACTION REQUIRED	P		No
03/10/2011	662000010						No
12/15/1999	200002078	PR	PR	SATISFACTORY		Pass	No
09/26/1999	500165193	PR	PR				
08/30/1996	500165192	PR	PR				
06/27/1996	500165191	PR	PR				

Inspector Comment:

Related Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
103470	PIT		09/23/1999		-	KIYOTA 1 (2 ALSO SAME)	<input type="checkbox"/>
242341	WELL	PR	05/03/1981	OW	123-10132	FUNAKOSHI 2	SI <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 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

Lease Road:				
Type	Satisfactory/Action Required	comment	Corrective Action	Date
Access	ACTION REQUIRED	Weeds on lease access road/See attached photos on last page of document	Mow lease access road	11/27/2014

Signs/Marker:				
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
CONTAINERS	ACTION REQUIRED	Containers on wellhead location do not have the required contents and NFPA labeling/See attached photos on last page of document	Install sign to comply with rule 210.	11/27/2014
WELLHEAD	SATISFACTORY			
TANK LABELS/PLACARDS	SATISFACTORY			
BATTERY	SATISFACTORY			

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

Comment:

Corrective Action:

Good Housekeeping:				
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
TRASH	ACTION REQUIRED	Trash on wellhead location/See attached photos on last page of document	Remove trash	11/27/2014
WEEDS	ACTION REQUIRED	Weeds on lease access road/See attached photos on last page of document	Remove weeds	11/27/2014
WEEDS	ACTION REQUIRED	Weeds on wellhead location/See attached photos on last page of document	Remove weeds	11/27/2014
WEEDS	ACTION REQUIRED	Weeds on battery location/See attached photos on last page of document	Remove weeds	11/27/2014

Spills:				
Type	Area	Volume	Corrective action	CA Date
PW/CO	WELLHEAD	<= 5 bbls	Remove or remediate hardened/contaminated soil around wellhead/See attached photos on last page of document	11/27/2014

Multiple Spills and Releases?

Fencing/:				
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
PUMP JACK		Angle-iron and wire mesh fencing		
SEPARATOR	SATISFACTORY	Square tube fencing		

Equipment:					
Type	#	Satisfactory/Action Required	Comment	Corrective Action	CA Date
Pump Jack	1	ACTION REQUIRED	Unused pumpjack/See attached photos on last page of document	Remove unused equipment	12/27/2014
Ancillary equipment	1	ACTION REQUIRED	Unused electrical breaker panel/See attached photos on last page of document	Remove unused equipment	12/27/2014
Prime Mover	1	ACTION REQUIRED	Unused electric motor/See attached photos on last page of document	Remove unused equipment	12/27/2014
Gas Meter Run	1	SATISFACTORY			
Ancillary equipment	1	ACTION REQUIRED	Unused electrical meter box/See attached photos on last page of document	Remove unused equipment	12/27/2014
Ancillary equipment	2	ACTION REQUIRED	Unused electrical transformers/See attached photos on last page of document	Remove unused equipment	12/27/2014
Horizontal Heated Separator	1	SATISFACTORY			

Facilities: New Tank Tank ID: _____

Contents	#	Capacity	Type	SE GPS
CRUDE OIL	1	300 BBLS	STEEL AST	40.096430,-104.839270

S/A/V: SATISFACTORY Comment: _____

Corrective Action: _____ Corrective Date: _____

Paint

Condition	Adequate
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Other (Content) _____

Other (Capacity) _____

Other (Type) _____

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Earth	Adequate	Walls Sufficient	Base Sufficient	Adequate
Corrective Action				Corrective Date
Comment				

Venting:

Yes/No	Comment
NO	

Flaring:

Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date

Predrill

Location ID: 242341

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: 242341 Type: WELL API Number: 123-10132 Status: PR Insp. Status: SI

Idle Well

Purpose: Shut In Temporarily Abandoned Reminder: _____

S/A/V: _____ CA Date: _____

CA: _____

Comment: Shut in since January 2014

BradenHead

Comment: Bradenhead is not plumbed to the surface as required/See attached photos on last page of document

CA: Bradenhead must be plumbed to the surface to accomodate monitoring and inspection.

CA Date: 11/27/2014

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): N _____

Comment: _____

Pilot: _____ Wildlife Protection Devices (fired vessels): YES _____

Reclamation - Storm Water - Pit

Interim Reclamation:

Date Interim Reclamation Started: _____ Date Interim Reclamation Completed: _____

Land Use: _____

Comment: _____

1003a. Debris removed? Pass CM _____

CA _____ CA Date _____

Waste Material Onsite? Pass CM _____

CA _____ CA Date _____

Unused or unneeded equipment onsite? In CM _____

CA _____ CA Date _____

Pit, cellars, rat holes and other bores closed? Pass CM _____

CA _____ CA Date _____

Guy line anchors removed? Pass CM _____

CA _____ CA Date _____

Guy line anchors marked? _____ CM _____

CA _____ CA Date _____

1003b. Area no longer in use? In _____ Production areas stabilized? In _____

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? In
 Production areas have been stabilized? In 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 In Process

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
Compaction	Pass	Compaction	Pass			
Gravel	Pass	Gravel	Pass			
Other	Pass	Other	Pass			Vegetation

S/A/V: SATISFACTOR Corrective Date: _____

Y

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
668302928	Foundation - Funakoshi 2 (123-10132) (1)	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3469030
668302929	Foundation - Funakoshi 2 (123-10132) (2)	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3469031
668302930	Foundation - Funakoshi 2 (123-10132) (3)	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3469032
668302931	Foundation - Funakoshi 2 (123-10132) (4)	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3469033
668302932	Foundation - Funakoshi 2 (123-10132) (5)	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3469034
668302933	Foundation - Funakoshi 2 (123-10132) (6)	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3469035
668302934	Foundation - Funakoshi 2 (123-10132) (7)	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3469036
668302935	Foundation - Funakoshi 2 (123-10132) (8)	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3469037
668302936	Foundation - Funakoshi 2 (123-10132) (9)	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3469038
668302937	Foundation - Funakoshi 2 (123-10132) (10)	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3469039
668302938	Foundation - Funakoshi 2 (123-10132) (11)	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3469040
668302939	Foundation - Funakoshi 2 (123-10132) (12)	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3469041

ACTION REQUIRED

ANY ACTION REQUIRED items listed on this report indicate that the oil and gas facility or the oil and gas operations listed on the report may be in violation of the rules and regulations of the Colorado Oil and Conservation Commission (“COGCC”) and corrective action is required.

There is reasonable cause to believe that a violation of the Oil and Gas Conservation Act, or of any rule, regulation, or order of the Commission, or of any permit issued by the Commission, has occurred. The Operator’s compliance with this Inspection Report is required to resolve these alleged violations. This document requires the Operator to timely respond to the COGCC and to comply with directives as listed by the **Corrective Action Deadline Date**. Failure to do so will result in the issuance of a Notice of Alleged Violation and initiation of enforcement proceedings in which COGCC will seek monetary penalties for the alleged violations pursuant to § 34-60-121, C.R.S. and Rule 523, COGCC Rules of Practice and Procedure, 2 CCR 404-1. (Please note that the COGCC's penalty authority was recently increased to a maximum of \$15,000 per day and penalties are no longer capped at a maximum of \$10,000 per violation.)