

**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:
01/14/2015Document Number:
668603305Overall Inspection:
SATISFACTORY**FIELD INSPECTION FORM**

| | | | | |
|---------------------|-------------|--------|-----------------|---|
| Location Identifier | Facility ID | Loc ID | Inspector Name: | On-Site Inspection <input type="checkbox"/> |
| | 280304 | 336882 | QUINT, CRAIG | 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, Racheal | 918-585-1650 ext 212 | regulatory@foundationenergy.com | |

Compliance Summary:QtrQtr: NWSE Sec: 32 Twp: 2N Range: 45W**Inspector Comment:****WELL IS SHUT IN, NO PRODUCTION REPORTS SINCE AUGUST 2014, NO SELLABLE PRODUCTION SINCE JULY 2013. WELL WILL BE REQUIRED TO PASS A MECHANICAL INTEGRITY TEST BEFORE JULY 2015. SUBMIT PRODUCTION REPORTS.****Related Facilities:**

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status | |
|-------------|------|--------|-------------|------------|-----------|---------------|-------------|-------------------------------------|
| 280304 | WELL | PR | 09/16/2010 | GW | 125-09535 | NEWTON 33-32 | 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 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**Lease Road:**

| Type | Satisfactory/Action Required | comment | Corrective Action | Date |
|--------|------------------------------|-------------------------|-------------------|------|
| Access | SATISFACTORY | 2 TRACK THROUGH PASTURE | | |

Inspector Name: QUINT, CRAIG

| Signs/Marker: | | | | |
|----------------------|------------------------------|---------------------|-------------------|---------|
| Type | Satisfactory/Action Required | Comment | Corrective Action | CA Date |
| WELLHEAD | SATISFACTORY | LEASE SIGN BY FENCE | | |

Emergency Contact Number (S/A/V): SATISFACTORY

Corrective Date: _____

Comment: _____

Corrective Action: _____

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

☐ Multiple Spills and Releases?

| Fencing/: | | | | |
|------------------|------------------------------|-----------------------------------|-------------------|---------|
| Type | Satisfactory/Action Required | Comment | Corrective Action | CA Date |
| WELLHEAD | SATISFACTORY | STEEL PANELS AROUND ALL EQUIPMENT | | |

| Equipment: | | | | | |
|---------------------|---|------------------------------|-----------------------------------|-------------------|---------|
| Type | # | Satisfactory/Action Required | Comment | Corrective Action | CA Date |
| Prime Mover | 1 | SATISFACTORY | KOHLER COMMAND 18 GAS ENGINE | | |
| Vertical Separator | 1 | SATISFACTORY | VGS 50% BURIED | | |
| Ancillary equipment | 2 | SATISFACTORY | GAS SCRUBBER, TELEMETRY EQUIPMENT | | |
| Pump Jack | 1 | SATISFACTORY | 25 JENSEN | | |
| Gas Meter Run | 1 | SATISFACTORY | | | |

| Venting: | | |
|-----------------|---------|--|
| Yes/No | Comment | |
| NO | | |

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

Predrill

Location ID: 280304

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: 280304 Type: WELL API Number: 125-09535 Status: PR Insp. Status: SI

Idle WellPurpose: ☒ Shut In ☐ Temporarily Abandoned Reminder: _____

S/A/V: _____ CA Date: _____

CA: _____

Comment: WELL IS SHUT IN, NO PRODUCTION REPORTS SINCE AUGUST 2014, NO SELLABLE PRODUCTION SINCE JULY 2013. WELL WILL BE REQUIRED TO PASS A MECHANICAL INTEGRITY TEST BEFORE JULY 2015. SUBMIT PRODUCTION REPORTS.

Environmental**Spills/Releases:**

Inspector Name: QUINT, CRAIG

| | | |
|-----------------------------------|--------------------|-------------------------------|
| 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: | | Lat _____ | Long _____ |
| DWR Receipt Num: _____ | Owner Name: _____ | GPS : _____ | _____ |

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? <u>Pass</u> CM _____ |
| | CA _____ CA Date _____ |
| | Waste Material Onsite? <u>Pass</u> CM _____ |
| | CA _____ CA Date _____ |
| | Unused or unneeded equipment onsite? <u>Pass</u> CM _____ |
| | CA _____ CA Date _____ |
| | Pit, cellars, rat holes and other bores closed? <u>Pass</u> 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 | |
| <u>Cropland</u> | |

Inspector Name: QUINT, CRAIG

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 |
|------------------|-----------------|-------------------------|-----------------------|---------------|--------------------------|---------|
| Compaction | Pass | Compaction | Pass | | | |

S/A/V: SATISFACTOR
Y

Corrective Date: _____

Comment: _____

CA: _____

Pits: ☒ NO SURFACE INDICATION OF PIT

COGCC Comments

| Comment | User | Date |
|--|--------|------------|
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