

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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| DE | ET | OE | ES |
|----|----|----|----|

Inspection Date:
04/03/2015

Document Number:
668501268

Overall Inspection:
SATISFACTORY

FIELD INSPECTION FORM

| | | | | | |
|---------------------|---------------|---------------|---------------------|--------------------------|-------------|
| Location Identifier | Facility ID | Loc ID | Inspector Name: | On-Site Inspection | 2A Doc Num: |
| | <u>253235</u> | <u>303524</u> | <u>Welsh, Brian</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, Rachael | 918-585-1650 ext 212 | regulatory@foundationenergy.com | |

Compliance Summary:

QtrQtr: NENE Sec: 5 Twp: 5S Range: 43W

| Insp. Date | Doc Num | Insp. Type | Insp Status | Satisfactory /Action Required | PA P/F/I | Pas/Fail (P/F) | Violation (Y/N) |
|------------|-----------|------------|-------------|-------------------------------|----------|----------------|-----------------|
| 10/08/2013 | 668601519 | PR | PR | SATISFACTORY | | | No |
| 01/25/2012 | 663900473 | PR | PR | SATISFACTORY | P | | No |
| 06/17/2010 | 200255791 | PR | PR | SATISFACTORY | | | No |
| 03/07/2007 | 200106490 | PR | PR | SATISFACTORY | | Pass | No |
| 10/01/1998 | 500179901 | PR | PR | | | Pass | No |

Inspector Comment:

Related Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status |
|-------------|------|--------|-------------|------------|-----------|---------------|--|
| 253235 | WELL | PR | 10/25/1995 | GW | 125-07112 | DEVLIN 41-5 | PR <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 | SATISFACTORY | GRAVEL ROAD THROUGH PASTURE | | |

| Signs/Marker: | | | | |
|----------------------|------------------------------|----------------------------------|-------------------|---------|
| Type | Satisfactory/Action Required | Comment | Corrective Action | CA Date |
| TANK LABELS/PLACARDS | SATISFACTORY | METAL SIGN BY WATER TANK | | |
| WELLHEAD | SATISFACTORY | LEASE SIGN MOUNTED TO METER SHED | | |

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

Comment: _____

Corrective Action: _____

| Spills: | | | | |
|--|------|--------|-------------------|---------|
| Type | Area | Volume | Corrective action | CA Date |
| <input type="checkbox"/> Multiple Spills and Releases? | | | | |

| Fencing/: | | | | |
|------------------|------------------------------|---|-------------------|---------|
| Type | Satisfactory/Action Required | Comment | Corrective Action | CA Date |
| LOCATION | SATISFACTORY | METAL PANELS AROUND UNIT, WELLHEAD, METER SHED AND WATER TANK | | |

| Equipment: | | | | | |
|---------------------|---|------------------------------|--|-------------------|---------|
| Type | # | Satisfactory/Action Required | Comment | Corrective Action | CA Date |
| Pump Jack | 1 | SATISFACTORY | JENSEN UNIT | | |
| Ancillary equipment | 1 | SATISFACTORY | ELECTRIC PANEL (POWER IS SHUT OFF AT TIME OF INSPECTION) | | |
| Gas Meter Run | 1 | SATISFACTORY | METER RUN IN METAL SHED | | |
| Vertical Separator | 1 | SATISFACTORY | VERTICAL GAS SEPARATOR IN METAL SHED | | |
| Prime Mover | 1 | SATISFACTORY | ELECTRIC MOTOR | | |

Facilities: New Tank Tank ID: _____

| Contents | # | Capacity | Type | SE GPS |
|----------------|---|----------|----------|-----------------------|
| PRODUCED WATER | 1 | OTHER | Open Top | 39.657880,-102.197940 |

S/A/V: SATISFACTORY Comment: FIBERGLASS OPEN TOP WATER TANK 50% BURIED W/ADEQUATE WILDLIFE SCREENING

Corrective Action: _____ Corrective Date: _____

Paint

| Condition |
|-----------|
| _____ |

Inspector Name: Welsh, Brian

Other (Content) _____

Other (Capacity) 210BBL _____

Other (Type) _____

Berms

| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance |
|------|----------|---------------------|---------------------|-------------|
| | | | | |

| | | | |
|-------------------|--|-----------------|--|
| Corrective Action | | Corrective Date | |
|-------------------|--|-----------------|--|

| | |
|---------|--|
| Comment | |
|---------|--|

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

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

Predrill

Location ID: 253235

Site Preparation:

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

S/AV: _____

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

Form 2A COAs:

S/AV: SATISFACTORY **Comment:** NO COA'S

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: 253235 Type: WELL API Number: 125-07112 Status: PR Insp. Status: PR

Producing Well

Comment: PRODUCING. CASING PRODUCTION. NOT FLOWING AT TIME OF INSPECTION

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? Pass CM _____

CA _____ CA Date _____

Waste Material Onsite? Pass CM _____

CA _____ CA Date _____

Unused or unneeded equipment onsite? Pass CM _____

CA _____ CA Date _____

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

Inspector Name: Welsh, Brian

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 |
|------------------|-----------------|-------------------------|-----------------------|---------------|--------------------------|---------|
| Waddles | Pass | Waddles | Pass | | | |
| Compaction | Pass | Compaction | Pass | | | |
| Gravel | Pass | Ditches | Pass | | | |
| | | Gravel | Pass | | | |

S/A/V: SATISFACTOR Y Corrective Date: _____

Comment: **MINOR EROSION ON LEASE ROAD. EROSION AROUND BASE OF UNIT AND ACROSS LOCATION. WADDLES IN PLACE ON ACCESS. EROSION ON ACCESS AND LOCATION WILL NEED MAINTENANCE SOON**

CA: _____

Pits: NO SURFACE INDICATION OF PIT