

**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:  
05/18/2015

Document Number:  
668402908

Overall Inspection:

**ACTION REQUIRED**

**FIELD INSPECTION FORM**

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	<u>231156</u>	<u>315617</u>	<u>BROWNING, CHUCK</u>	<input type="checkbox"/>	

**Operator Information:**

OGCC Operator Number:	<u>10112</u>
Name of Operator:	<u>FOUNDATION ENERGY MANAGEMENT LLC</u>
Address:	<u>1801 BROADWAY SUITE 1500</u>
City:	<u>DENVER</u> State: <u>CO</u> Zip: <u>80202</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
Browning, Chuck	970-433-4139	chuck.browning@state.co.us	Field Inspector
Spencer, Stan		stan.spencer@state.co.us	
Contact, General		regulatory@foundationenergy.com	

**Compliance Summary:**

QtrQtr:	<u>NESE</u>	Sec:	<u>11</u>	Twp:	<u>4S</u>	Range:	<u>104W</u>
Insp. Date	Doc Num	Insp. Type	Insp Status	Satisfactory /Action Required	PA P/F/I	Pas/Fail (P/F)	Violation (Y/N)
06/26/2014	674300034			<b>ACTION REQUIRED</b>			No
06/06/2014	668402381	SI	AC	SATISFACTORY	P		No
02/21/2013	668400961	SI	AC	SATISFACTORY	I		No
01/22/2009	200202570	RT	SI	SATISFACTORY			No
10/02/2008	200200557	MI	SI	SATISFACTORY			No
07/16/2007	200114800	RT	AC	SATISFACTORY	I	Pass	No
07/18/2006	200093567	RT	AC	SATISFACTORY		Pass	No
05/16/2005	200071467	RT	AC	SATISFACTORY		Pass	No
01/14/2004	200048424	MI	AC	SATISFACTORY		Pass	No
06/10/1999	500157521	PR	PR			Pass	No

**Inspector Comment:**

**UIC - Routine inspection. Actions required on previous inspection Doc#674300034 not completed. Removed fluid accumulations in secondary containments and sumps. No gauges on tubing and casing valves of injection well. See attached photos**

**Related Facilities:**

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
109510	PIT	CL	09/23/1999		-	COLUMBINE SPRINGS 8-11	CL
109511	PIT	CL	09/23/1999		-	COLUMBINE SPRINGS 8-11	CL

159113	UIC DISPOSAL	AC	03/31/2004		-	COLUMBINE SPRINGS 8-11 WDW	AC	<input checked="" type="checkbox"/>
231156	WELL	SI	07/12/2007	GW	103-08825	COLUMBINE SP 8-11-4-104 WD	AC	<input checked="" type="checkbox"/>
437819	SPILL OR RELEASE	CL	06/26/2014		-	SPILL/RELEASE POINT	CL	<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**

**Lease Road:**

Type	Satisfactory/Action Required	comment	Corrective Action	Date
Main	SATISFACTORY			
Access	SATISFACTORY			

**Signs/Marker:**

Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
WELLHEAD	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	Junk batteries piled up near pumphouse	Remove batteries to bermed area or dispose of properly.	05/30/2015
TRASH	ACTION REQUIRED	General good housekeeping practices need improvement.	Make a few trips to the dump.	06/30/2015

**Spills:**

Type	Area	Volume	Corrective action	CA Date
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Multiple Spills and Releases?

**Facilities:**

New Tank

Tank ID: \_\_\_\_\_

Contents	#	Capacity	Type	SE GPS
CONDENSATE	7	500 BBLS	STEEL AST	39.723182,-109.031141

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

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

Corrective Date: \_\_\_\_\_

Paint

Condition				
Other (Content)	_____			
Other (Capacity)	_____			
Other (Type)	_____			
<b>Berms</b>				
Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Earth	Adequate	Walls Sufficient	Base Sufficient	Inadequate
Corrective Action	Keep secondary containment clear of accumulated fluids			Corrective Date 05/30/2015
Comment	Tank berms & Secondary containments excess fluid accumulations.			

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

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

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**Predrill**

Location ID: 231156

**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: 159113 Type: UIC API Number: - Status: AC Insp. Status: AC

**Underground Injection Control**

UIC Violation: \_\_\_\_\_ Maximum Injection Pressure: 1360

UIC Routine

Inj./Tube: Pressure or inches of Hg \_\_\_\_\_ Previous Test Pressure \_\_\_\_\_ MPP \_\_\_\_\_  
(e.g. 30 psig or -30" Hg) Inj Zone: \_\_\_\_\_

TC: Pressure or inches of Hg \_\_\_\_\_ Previous Test Pressure \_\_\_\_\_ Last MIT: \_\_\_\_\_

Brhd: Pressure or inches of Hg \_\_\_\_\_ Previous Test Pressure \_\_\_\_\_ AnnMTRReq: \_\_\_\_\_

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

Method of Injection: PUMP FEED

Test Type: \_\_\_\_\_ Tbg psi: \_\_\_\_\_ Csg psi: \_\_\_\_\_ BH psi: \_\_\_\_\_

Insp. Status: \_\_\_\_\_

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

Facility ID: 231156 Type: WELL API Number: 103-08825 Status: SI Insp. Status: AC

**Underground Injection Control**

UIC Violation: \_\_\_\_\_ Maximum Injection Pressure: \_\_\_\_\_

UIC Routine

Inj./Tube: Pressure or inches of Hg \_\_\_\_\_ Previous Test Pressure \_\_\_\_\_ MPP \_\_\_\_\_  
(e.g. 30 psig or -30" Hg) Inj Zone: CSLGT

TC: Pressure or inches of Hg \_\_\_\_\_ Previous Test Pressure \_\_\_\_\_ Last MIT: 02/21/2013

Brhd: Pressure or inches of Hg \_\_\_\_\_ Previous Test Pressure \_\_\_\_\_ AnnMTRReq: \_\_\_\_\_

Comment: NO gauges on tubing or casing. Active injection at time of inspection.  
Install working gauges on tubing and casing valves.

Method of Injection: PUMP FEED

Test Type: \_\_\_\_\_ Tbg psi: \_\_\_\_\_ Csg psi: \_\_\_\_\_ BH psi: \_\_\_\_\_

Insp. Status: \_\_\_\_\_

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:**

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? \_\_\_\_\_ 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 \_\_\_\_\_

Inspector Name: BROWNING, CHUCK

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
				MHSP	Fail	

S/A/V: **ACTION REQUIRED**      Corrective Date: **05/30/2015**

Comment: **Tank berms filled with water/oil. Drainage sump between tanks and pumphouse full of water.**

CA: **Remove fluids from inside berms and sump.**

**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
668402910	May 18, 2015 inspection pictures	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3610768">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3610768</a>

## **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.)