

**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:
06/23/2015Document Number:
671104066

Overall Inspection:

ACTION REQUIRED**FIELD INSPECTION FORM**

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	241538	318541	MONTOYA, JOHN	<input type="checkbox"/>	

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
Burtin, Ray	303-502-0603	rburtin@foundationenergy.com	foreman
Helgeland, Gary		gary.helgeland@state.co.us	
Eisterhold, Rachel	918-585-1650 ext 212	regulatory@foundationenergy.com	

Compliance Summary:QtrQtr: NESE Sec: 32 Twp: 3N Range: 62W

Insp. Date	Doc Num	Insp. Type	Insp Status	Satisfactory /Action Required	PA P/F/I	Pas/Fail (P/F)	Violation (Y/N)
01/21/2010	200236385	PR	PR	ACTION REQUIRED			Yes
09/09/2008	200199534	PR	PR	SATISFACTORY			No
03/21/2007	200108397	PR	SI	ACTION REQUIRED		Fail	Yes
06/02/2004	200055396	PR	PR	ACTION REQUIRED		Fail	Yes
12/08/1995	500164213	PR	PR			Fail	Yes
01/28/1994	500164212		PR				Yes

Inspector Comment:**Related Facilities:**

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status	
241538	WELL	PR	08/10/2010	GW	123-09327	STATE OF COLORADO AG 1	PR	<input checked="" type="checkbox"/>

Equipment:**Location Inventory**

Inspector Name: MONTOYA, JOHN

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

Signs/Marker:

Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
TANK LABELS/PLACARDS	SATISFACTORY			
WELLHEAD	SATISFACTORY			
BATTERY	SATISFACTORY			

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

Corrective Date: _____

Comment: _____

Corrective Action: _____

Spills:

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

Fencing/:

Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
SEPARATOR	SATISFACTORY	PIG WIRE FENCE		
WELLHEAD	SATISFACTORY	2" PIPE FENCESE CORNER N40.08733W-104.21807		
IGNITOR/COMBUST OR	SATISFACTORY	PIG WIRE FENCE		
TANK BATTERY	SATISFACTORY	PIG WIRE FENCE		

Equipment:

Type	#	Satisfactory/Action Required	Comment	Corrective Action	CA Date
Horizontal Heated Separator	1	SATISFACTORY	SE CORNER N40.10714-104.20542		
Plunger Lift	1	SATISFACTORY			
Emission Control Device	1	SATISFACTORY	SE CORNER N40.10714W-104.20542		
Gas Meter Run	1	SATISFACTORY	SE CORNER N40.10714W-104.20542		
Bird Protectors	2	SATISFACTORY			

Facilities:

☐ New Tank

Tank ID: _____

Inspector Name: MONTOYA, JOHN

Contents	#	Capacity	Type	SE GPS
PRODUCED WATER	1	<50 BBLS	CONCRETE SUMP/VAULT	,
S/A/V:	ACTION REQUIRED		Comment: NEED CAPACITY SIGNAGE ON CONCRETE VAULT	
Corrective Action:	PUT CPACITY SIGNAGE AT CONCRETE VAULT			Corrective Date: 07/22/2015

Paint

Condition	Inadequate
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Other (Content) _____

Other (Capacity) _____

Other (Type) _____

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Earth	Inadequate	Walls Insufficient	Base Insufficient	Inadequate
Corrective Action	REPAIR BERMS AROUND CONCRETE VAULT			Corrective Date 07/22/2015
Comment	BERMS NOT AROUND CEMENT VAULT			

Facilities: ☐ New Tank Tank ID: _____

Contents	#	Capacity	Type	SE GPS
CRUDE OIL	1	300 BBLS	STEEL AST	40.107020,-104.205400
S/A/V:	ACTION REQUIRED		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	Inadequate	Walls Insufficient	Base Insufficient	Inadequate
Corrective Action	REPAIR BERMS			Corrective Date 07/22/2015
Comment	BERMS WILL NOT HOLD CAPACITY OF PROD TANK			

Venting:

Yes/No	Comment
NO	

Flaring:

Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
Ignitor/Combustor	SATISFACTORY			

Predrill

Location ID: 241538

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: 241538 Type: WELL API Number: 123-09327 Status: PR Insp. Status: PR

Producing Well

Comment: PR

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? 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? Pass CM _____
 CA _____ CA Date _____
 Guy line anchors marked? _____ CM _____
 CA _____ CA Date _____

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

1003c. Compacted areas have been cross ripped? _____

1003d. Drilling pit closed? Pass Subsidence over on drill pit? Pass

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 REVEGETATIONCropland

Top soil replaced _____ Recontoured _____ Perennial forage re-established _____

Non-Cropland

Top soil replaced _____ Recontoured _____ 80% Revegetation _____

1003 f. Weeds Noxious weeds? _____

Inspector Name: MONTOYA, JOHN

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
Gravel	Pass	Gravel	Pass			

S/A/V: SATISFACTOR
Y

Corrective Date:

Comment:

CA:

Pits: ☐ NO SURFACE INDICATION OF PIT

COGCC Comments

Comment	User	Date
WELL HAS INTERMITTER CONTROL	montoyaj	06/23/2015

Attached Documents

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

Document Num	Description	URL
671104068	BATTERY SIGN	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3630795
671104069	BERMS AROUND TANK	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3630796
671104070	CONCRETE VAULT ON CAPACITY SIGNAGE OR BERMS	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3630797

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.)