

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:
07/22/2015

Document Number:
679700010

Overall Inspection:

ACTION REQUIRED

FIELD INSPECTION FORM

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	<u>245338</u>	<u>323509</u>	<u>ALLISON, RICK</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
Jenkins, Steve		steve.jenkins@state.co.us	COGCC Engineer
Grant, Rachel		rgrant@foundationenergy.com	
Regulatory, Foundation		regulatory@foundationenergy.com	Regulatory Email

Compliance Summary:

QtrQtr: SWNE Sec: 21 Twp: 8N Range: 58W

Insp. Date	Doc Num	Insp. Type	Insp Status	Satisfactory /Action Required	PA P/F/I	Pas/Fail (P/F)	Violation (Y/N)
09/17/2014	673900505	TA	TA	SATISFACTORY			No
08/06/2013	664001180	TA	TA	SATISFACTORY			No
07/11/2012	663400594	TA	SI	ACTION REQUIRED	P		No
05/18/2011	200310563	MI	SI	SATISFACTORY			No
04/29/2010	200246622	RT	SI	SATISFACTORY			No
05/28/2009	200241589	RT	SI	SATISFACTORY			No
04/24/2008	200130643	RT	AC	SATISFACTORY			No
08/29/2007	200118193	RT	AC	SATISFACTORY			No
06/19/2006	200093891	MI	PD	SATISFACTORY		Pass	No
03/23/1995	500169501	PR	PR				No

Inspector Comment:

COGCC Environmental Inspection of Spill Facility ID 442414

Related Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status	
245338	WELL	TA	07/14/2011	ERIW	123-13133	SOONER UNIT 7-21	EI	<input checked="" type="checkbox"/>
442414	SPILL OR RELEASE	AC			-	SPILL/RELEASE POINT	EI	<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

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

Comment: _____

Corrective Action: _____

Spills:

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

Venting:

Yes/No	Comment

Flaring:

Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date

Predrill

Location ID: 245338

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: 245338 Type: WELL API Number: 123-13133 Status: TA Insp. Status: EI

Facility ID: 442414 Type: SPILL OR API Number: - Status: AC Insp. Status: EI

Environmental

Spills/Releases:

Type of Spill: WATER Description: spill 442414 Estimated Spill Volume: _____

Comment: _____

An excavation of approximately 20' x 20' is open at Latitude 40.65260 Longitude -103.86561. This location is considerably different than the Latitude/Longitude provided by the Operator on the Initial Spill Report. Operator shall confirm the location of the release and provide COGCC with correct coordinates. A large bare area is present around the excavation area. Oily waste is stockpiled on the location. A minimum of one soil sample shall be collected from each sidewall and one soil sample should be collected from the base of the excavation. Analyze all soil samples for BTEX, TPH-GRO and TPH-DRO, ec, pH and SAR. Upon completion of excavation and backfill, the entire site will require reclamation in accordance with Rules 1003 and 1004 as applicable.

Corrective Action: Complete remediation and reclamation of site Date: 10/06/2015

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: _____

Waste Management:

Type	Management	Condition	Comment	GPS (Lat)	(Long)
Oily Soil	Piles	Adequate	Stockpile is bermed.		

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? _____

Inspector Name: ALLISON, RICK

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 _____

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

S/A/V: _____ Corrective Date: _____

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
679700011	Excavation looking north	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3651150

679700012	Soil stockpile east of excavation	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3651151
679700013	Bare ground north of excavation	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3651152
679700014	Cut grass north of excavation	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3651153
679700015	Looking south toward excavation	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3651154
679700016	Stockpiles adjacent excavation	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3651155
679700017	Excavation looking south	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3651156

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.)