

**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:

11/24/2015

Document Number:

675202264

Overall Inspection:

SATISFACTORY**FIELD INSPECTION FORM**

| | | | | | |
|---------------------|-------------|--------|-----------------|--------------------------|-------------|
| Location Identifier | Facility ID | Loc ID | Inspector Name: | On-Site Inspection | 2A Doc Num: |
| | 322407 | 322407 | CONKLIN, CURTIS | <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 |
|------------------|----------------|---------------------------------|--------------------|
| Contact, General | | regulatory@foundationenergy.com | Regulatory |
| Hartman, Robert | (970) 244-3041 | bhartman@blm.gov | Petroleum Engineer |

Compliance Summary:QtrQtr: NESE Sec: 17 Twp: 7S Range: 104W

| Insp. Date | Doc Num | Insp. Type | Insp Status | Satisfactory /Action Required | PA P/F/I | Pas/Fail (P/F) | Violation (Y/N) |
|------------|-----------|------------|-------------|-------------------------------|----------|----------------|-----------------|
| 08/23/2015 | 675201962 | | | ACTION REQUIRED | | | No |

Inspector Comment:Follow up to inspection Doc#675201962.**Related Facilities:**

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status |
|-------------|------|--------|-------------|------------|-----------|---------------|--|
| 111744 | PIT | | 09/23/1999 | | - | FEDERAL 17-10 | <input type="checkbox"/> |
| 111745 | PIT | | 09/23/1999 | | - | FEDERAL 17-10 | <input type="checkbox"/> |
| 210431 | WELL | PR | 07/28/1979 | GW | 045-06187 | FEDERAL 17-10 | 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

Inspector Name: CONKLIN, CURTIS

| | | | | |
|--------------------|------------------------------|---------|-------------------|------|
| Lease Road: | | | | |
| Type | Satisfactory/Action Required | comment | Corrective Action | Date |
| Access | SATISFACTORY | | | |

| | | | | |
|----------------------|------------------------------|---------|-------------------|---------|
| Signs/Marker: | | | | |
| Type | Satisfactory/Action Required | Comment | Corrective Action | CA Date |
| TANK LABELS/PLACARDS | SATISFACTORY | | | |
| WELLHEAD | SATISFACTORY | | | |

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

Comment: 866-767-3600

Corrective Action: _____

| | | | | |
|---------------------------|------------------------------|---|-------------------|---------|
| Good Housekeeping: | | | | |
| Type | Satisfactory/Action Required | Comment | Corrective Action | CA Date |
| WEEDS | SATISFACTORY | Continue weed management in tank containment. | | |

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

| | | | |
|--------------------|--------------|-----------------------------------|------------------|
| Facilities: | | <input type="checkbox"/> New Tank | Tank ID: _____ |
| Contents | # | Capacity | Type |
| PRODUCED WATER | 1 | 100 BBLS | FIBERGLASS AST |
| S/AR | SATISFACTORY | Comment: | |
| Corrective Action: | | | Corrective Date: |

| | |
|------------------|----------|
| Paint | |
| Condition | Adequate |
| Other (Content) | _____ |
| Other (Capacity) | _____ |
| Other (Type) | _____ |

| | | | | |
|-------------------|----------|---------------------|---------------------|-----------------|
| Berms | | | | |
| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance |
| | | | | |
| Corrective Action | | | | Corrective Date |
| Comment | | | | |

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

| | |
|-----------------|------------------------------|
| Flaring: | |
| Type | Satisfactory/Action Required |

| | | | |
|--------------------|--|-------------------------|--|
| Comment: | | | |
| Corrective Action: | | Correct Action Date: | |

Predrill

Location ID: 322407

Site Preparation:

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

S/AV: _____

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

Form 2A COAs:

Date retrieval failed for the subreport 'Subreport1' located at: \\10.12.100.15\cFormReports\Insp\InspCOA.rpt. Please check t

S/AV: _____ **Comment:** _____

CA: _____ **Date:** _____

Wildlife BMPs:

Date retrieval failed for the subreport 'Subreport2' located at: \\10.12.100.15\cFormReports\Insp\InspBMP.rpt. Please check t

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: <u>210431</u> | Type: <u>WELL</u> | API Number: <u>045-06187</u> | Status: <u>PR</u> | Insp. Status: <u>PR</u> |
|----------------------------|-------------------|------------------------------|-------------------|-------------------------|

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

Inspector Name: CONKLIN, CURTIS

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: _____

Corrective Date: _____

Comment: _____

CA: _____

Pits: ☒ NO SURFACE INDICATION OF PIT