

**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

Inspection Date:

06/27/2016

Document Number:

682400935

Overall Inspection:

ACTION REQUIRED**FIELD INSPECTION FORM**

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	241071	318303	Binschus, Chris	<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
PAYNE, RICHARD L.		regulatory@foundationenergy.com	

Compliance Summary:QtrQtr: NWSE Sec: 24 Twp: 2N Range: 67W

Insp. Date	Doc Num	Insp. Type	Insp Status	Satisfactory /Action Required	PA P/F/I	Pas/Fail (P/F)	Violation (Y/N)
05/21/2014	668701587	PA	PA	ACTION REQUIRED		Fail	No
12/11/2010	200291719	CA	PA	SATISFACTORY			No
12/10/2010	200291718	CA	PA	SATISFACTORY			No
10/06/2008	200200745	PR	PR	ACTION REQUIRED			Yes
02/12/2003	200035053	PR	PR	SATISFACTORY		Pass	No
10/25/2002	200033882	PR	PR	SATISFACTORY		Pass	No
06/27/1996	500163506	PR	SI				

Inspector Comment:

This is a final reclamation inspection on a plugged and abandoned location from 2010. Any corrective actions from previous inspections that have not been addressed are still applicable. This is the second consecutive corrective action required to remove unused equipment and reclaim area. Inspection document #668701587 from 5/21/2014 required the operator to remove unused equipment and reclaim area which has not been performed. A List B Colorado Noxious weed is overtaking larger portions of the well location and needs to be removed before it seeds out and expands further. Corrective action to remove the noxious weed will be shorter than normal because of the above mentioned reason. See GOOD HOUSEKEEPING section and COGCC comments for corrective actions and corrective action dates.

Related Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status	
241071	WELL	PA	12/07/2010	SI	123-08859	METER-DYKES 2	RI	<input checked="" type="checkbox"/>

Equipment:Location Inventory

Inspector Name: Binschus, Chris

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

Signs/Marker:

Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date

Emergency Contact Number (S/AR): _____

Corrective Date: _____

Comment: _____

Corrective Action: _____

Good Housekeeping:

Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
TRASH	ACTION REQUIRED	Trash on location. Refer to attached photos in Document #682400936.	Remove trash per Rule 603.f.	08/09/2016
UNUSED EQUIPMENT	ACTION REQUIRED	Electrical breaker and material remain on location. Refer to attached photos in Document #682400936.	Remove unused equipment and debris per Rule 1004.	08/09/2016

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

Equipment:

Type:	#	Satisfactory/Action Required:
Comment		
Corrective Action		Date: _____

Venting:

Yes/No

Comment

Flaring:

Type	Satisfactory/Action Required		
Comment:			
Corrective Action:		Correct Action Date:	

Predrill

Location ID: 241071

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

S/AR: _____

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

Form 2A COAs:

S/AR: _____ **Comment:** _____

CA: _____ **Date:** _____

Wildlife BMPs:

S/AR: _____ **Comment:** _____

CA: _____ **Date:** _____

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: 241071 Type: WELL API Number: 123-08859 Status: PA Insp. Status: RI

Environmental**Spills/Releases:**

Type of Spill: _____ Description: _____ Estimated Spill Volume: _____

Inspector Name: Binschus, Chris

Comment: <input style="width:700px" type="text"/>			
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:			
<input style="width:300px" type="text"/>			
Sample Location: <input style="width:400px" type="text"/>			
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: <input style="width:750px" type="text"/>	
1003a. Waste and Debris removed? _____	
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 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	
<u>Cropland</u>	
Top soil replaced _____	Recontoured _____ Perennial forage re-established _____

Inspector Name: Binschus, Chris

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 **Fail**

No disturbance /Location never built _____

Access Roads Regraded **Fail**

Contoured **Fail**

Culverts removed _____

Gravel removed **Fail**

Location and associated production facilities reclaimed **Fail**

Locations, facilities, roads, recontoured **Fail**

Compaction alleviation _____

Dust and erosion control _____

Non cropland: Revegetated 80% **Fail**

Cropland: perennial forage _____

Weeds present **Fail**

Subsidence _____

Comment: _____

Corrective Action: **See COGCC comments.**

Date **08/09/2016**

Overall Final Reclamation **Fail**

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

COGCC Comments

Comment	User	Date
<p>Location does not meet Rule 1004 regulations for the following reasons:</p> <p>1) Well locations, access roads and associated facilities have not been properly reclaimed. All such reclamation work shall be completed within twelve months on non-cropland after plugging a well or final closure of associated production facilities. It appears a seeding attempt was made but gravel was not removed preventing proper vegetative establishment.</p> <p>2) All debris and surface equipment shall be removed within three months of plugged a well. Also, trash is on location and needs to be removed per Rule 603.f.</p> <p>3) All areas being reclaimed shall be kept as free as practicable of all undesirable plant species designated to be noxious weeds. A List B Colorado Noxious weed has infested large portions of the location- Scotch thistle (<i>Onopordum acanthium</i>)- and needs to be removed from location by 7/26/2016. This is a short corrective action date because the noxious weed species is flowering out and needs to be controlled to stop the spread before they go to seed. Please submit a Form 42 upon completion of this corrective action.</p> <p>Refer to attached photos in Document #682400936.</p> <p>Also, provide an agreed upon schedule of reclamation operations, and documentation that debris, unused equipment, and trash have been removed to an attached Form 4 by CA date of 8/9/16, assigned to Chris Binschus. After approval of the schedule of reclamation operations provided in the Form 4, a new corrective action date for final reclamation will be set through the Form 4 process.</p>	binschusc	07/12/2016

Attached Documents

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

Document Num	Description	URL
682400935	INSPECTION APPROVED	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3900922
682400936	Location Photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3900917