

**FORM
INSP**

Rev
X/15

**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:
11/15/2016
Submitted Date:
11/16/2016
Document Number:
675203618

FIELD INSPECTION FORM

Loc ID 322414 Inspector Name: CONKLIN, CURTIS On-Site Inspection 2A Doc Num: _____

Status Summary:
 THIS IS A FOLLOW UP INSPECTION
 FOLLOW UP INSPECTION REQUIRED
 NO FOLLOW UP INSPECTION REQUIRED

Findings:
12 Number of Comments
3 Number of Corrective Actions
 Corrective Action Response Requested

Operator Information:
 OGCC Operator Number: 10112
 Name of Operator: FOUNDATION ENERGY MANAGEMENT LLC
 Address: 16000 DALLAS PARKWAY #875
 City: DALLAS State: TX Zip: 75248-

Contact Information:

| Contact Name | Phone | Email | Comment |
|------------------|----------------|---------------------------------|--------------------|
| Allred, Josh | (970) 629-5914 | jallred@foundationenergy.com | Field Supervisor |
| Contact, General | | regulatory@foundationenergy.com | Regulatory |
| Kellerby, Shaun | | shaun.kellerby@state.co.us | NW Supervisor |
| Hartman, Robert | (970) 244-3041 | bhartman@blm.gov | Petroleum Engineer |

Inspected Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status |
|-------------|------|--------|-------------|------------|-----------|---------------|-------------|
| 119477 | PIT | AC | 09/23/1999 | | - | FEDERAL 12-3 | AC |
| 210444 | WELL | PR | 04/01/2015 | GW | 045-06200 | FEDERAL 12-3 | PR |

General Comment:
Follow up to inspection Doc#675203159 and 675203374. Corrective actions have not been met.

Location

| | | | |
|--------------------|--------------------------------------|-------|--|
| Lease Road: | | | |
| Type | Access | | |
| comment: | See stormwater section of inspection | | |
| Corrective ActionL | | Date: | |

Overall Good:

| | |
|----------------------------------|---|
| Emergency Contact Number: | |
| Comment: | <input style="width: 100%;" type="text"/> |
| Corrective Action: | <input style="width: 100%;" type="text"/> |
| Date: | <input style="width: 100%;" type="text"/> |

| | | | |
|---------------------------|---|--|------------------|
| Good Housekeeping: | | | |
| Type | OTHER | | |
| Comment: | Vegetation around equipment and in pits and tank containment. CA has not been met from previous inspection. See attached photos | | |
| Corrective Action: | Comply with Rule 603.f using the Rule 603.f guidance document for further details. | | Date: 09/09/2016 |

Overall Good:

| | | | | |
|----------------|------|--------|--|--|
| Spills: | | | | |
| Type | Area | Volume | | |

In Containment: No

Comment:

Multiple Spills and Releases?

| | | | |
|----------------------------|---|--|------------------|
| Equipment: | | | corrective date |
| Type: Horizontal Separator | # 1 | | |
| Comment: | Audible leak is still apparent. | | |
| Corrective Action: | Securely fasten all valves, pipes, and fittings to ensure good mechanical condition per Rule 605.d. | | Date: 08/10/2016 |

| Tanks and Berms: | | | | | | |
|-------------------------|--|-----------|----------|----------|--------|--|
| Contents | # | Capacity | Type | Tanak ID | SE GPS | |
| PRODUCED WATER | 1 | <100 BBLS | Open Top | | , | |
| Comment: | Tank nearing capacity at time of inspection. | | | | | |
| Corrective Action: | | | | | Date: | |

| | |
|------------------|---|
| Paint | |
| Condition | Adequate |
| Other (Content) | <input style="width: 100%;" type="text"/> |
| Other (Capacity) | <input style="width: 100%;" type="text"/> |
| Other (Type) | <input style="width: 100%;" type="text"/> |

| Berms | | | | |
|--------------------|--|---------------------|---------------------|-------------|
| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance |
| Earth | Adequate | Walls Sufficient | Base Sufficient | Adequate |
| Comment: | See housekeeping section of inspection | | | |
| Corrective Action: | | | | Date: |

| | | | |
|--------------------|----|-------|--|
| Venting: | | | |
| Yes/No | NO | | |
| Comment: | | | |
| Corrective Action: | | Date: | |

| | | | |
|--------------------|--|-------|--|
| Flaring: | | | |
| Type | | | |
| Comment: | | | |
| Corrective Action: | | Date: | |

Inspected Facilities

Facility ID: 119477 Type: PIT API Number: - Status: AC Insp. Status: AC

Facility ID: 210444 Type: WELL API Number: 045-06200 Status: PR Insp. Status: PR

Reclamation - Storm Water - Pit

Storm Water:

| Loc Erosion BMPs | BMP Maintenance | Lease Road Erosion BMPs | Lease BMP Maintenance | Chemical BMPs | Chemical BMP Maintenance | Comment |
|------------------|-----------------|-------------------------|-----------------------|---------------|--------------------------|---------|
| Compaction | Pass | | | | | |
| Berms | Pass | Compaction | Fail | | | |

Comment: [Erosion across roadway. CA has not been met from previous inspection. Traffic is now driving around eroded section. See attached photos.](#)

Corrective Action: [Install or repair required BMPs per Rule 1002.f. Refer to the 1002.f guidance document for further details.](#)

Date: 09/09/2016

Pits: NO SURFACE INDICATION OF PIT

Type: Evaporation Lined: NO Pit ID: 119477 Lat: 39.399048 Long: -108.980604

Reference Point: _____ Other: _____ Length: _____ Width: _____

Lining:

Liner Type: _____ Liner Condition: _____

Comment: _____

Corrective Action

Date: g

Fencing:

Fencing Type: Netting/Fence com Fencing Condition: Adequate

Comment: _____

Corrective Action

Date: _____

Netting:

Netting Type: Fence/Net Combo Netting Condition: Good

Comment: _____

Corrective Action

Date: _____

Anchor Trench Present: _____ Oil Accumulation: NO 2+ feet Freeboard: _____

Comment: [See housekeeping section of inspection.](#)

Corrective Action

Date: _____

Attached Documents

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

| Document Num | Description | URL |
|--------------|----------------------------|---|
| 675203618 | INSPECTION SUBMITTED | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4004254 |
| 675203619 | Inspection photos 10-6-16 | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4004214 |
| 675203620 | INspection photos 8-9-16 | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4004215 |
| 675203621 | Inspection photos 11-15-16 | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4004216 |