

**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:

02/28/2017

Submitted Date:

03/01/2017

Document Number:

682501708**FIELD INSPECTION FORM**
 Loc ID 330865 Inspector Name: Trujillo, Aaron On-Site Inspection ☐ 2A Doc Num:
Operator Information:OGCC Operator Number: 10112Name of Operator: FOUNDATION ENERGY MANAGEMENT LLCAddress: 16000 DALLAS PARKWAY #875City: DALLAS State: TX Zip: 75248-**Status Summary:**

- ☒ THIS IS A FOLLOW UP INSPECTION
- ☒ FOLLOW UP INSPECTION REQUIRED
- ☐ NO FOLLOW UP INSPECTION REQUIRED

Findings:15 Number of Comments9 Number of Corrective Actions

- ☒
- Corrective Action Response Requested

Contact Information:

Contact Name	Phone	Email	Comment
Hickey, Mike		mike.hickey@state.co.us	
,		regulatory@foundationenergy.com	All Inspections
Allison, Rick		rick.allison@state.co.us	
Pesicka, Conor		conor.pesicka@state.co.us	
Freese, Steve		steve.freese@state.co.us	All SLB Inspections

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
199860	WELL	PR	08/10/1999	OW	123-19794	State 36-3-9	RI

General Comment:

This is a follow-up interim reclamation and stormwater inspection. Any corrective actions from previous inspections that have not been addressed are still applicable.

LocationOverall Good: ☐**Signs/Marker:**

Type	TANK LABELS/PLACARDS		
Comment:	Inspection Doc. #682501617 documented that Placard labels have been placed on tanks per inspection Doc. #684901990, however placards missing 1) Name of Operator, 2) Operator's Emergency contact telephone number and 3) Tank Capacity. Information on placards remain missing. Original corrective action and corrective action date remains in place. See attached photo document.		
Corrective Action:	Install sign to comply with rule 210.d	Date:	02/18/2017
Type	BATTERY		
Comment:	Inspection Doc. #682501617 documented that the sign at battery has deteriorated in such a manner that the operator contact information is illegible and required operator to install sign to comply with rule 210.b. Emergency operator contact information remains illegible. Original corrective action and corrective action date remains in place. See attached photo document.		
Corrective Action:	Install sign to comply with rule 210.b	Date:	02/18/2017
Type	WELLHEAD		
Comment:	Inspection Doc. #670501455, and Inspection Doc. #682501617 required operator to install sign to comply with rule 210.d at wellhead. Sign still remains missing from wellhead. Original corrective action and corrective action date remains in place. See attached photo document.		
Corrective Action:	Install sign to comply with rule 210.b	Date:	02/18/2017

Emergency Contact Number:Comment: Corrective Action: Date: **Good Housekeeping:**

Type	TRASH		
Comment:	Inspection Doc. #682501617 documented that square iron tubing was being stored on the Northwest corner of the interim area. Iron tubing still remains on the interim area. See attached photo document. Original corrective action and corrective action date remains in place.		
Corrective Action:	Remove and properly store or dispose of iron metal.	Date:	02/18/2017

Overall Good: ☐**Spills:**

Type	Area	Volume		
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In Containment: No

Comment: ☐ Multiple Spills and Releases?**Tanks and Berms:**

Contents	#	Capacity	Type	Tank ID	SE GPS	
Comment:	Inspection Doc. #684901990 required operator to "repair or install berms or other secondary containment devices per Rule 906.d(1). Berms remain low, insufficient and unrepaired. Original corrective action and corrective action date remains in place.					
Corrective Action:	Repair or install berms or other secondary containment devices per Rule 906.d(1).					Date: 09/09/2016

Paint

Condition	
Other (Content)	
Other (Capacity)	
Other (Type)	

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Comment:				
Corrective Action:				Date:

Venting:

Yes/No		
Comment:		
Corrective Action:		Date:

Flaring:

Type	
Comment:	
Corrective Action:	Date:

Inspected FacilitiesFacility ID: 199860 Type: WELL API Number: 123-19794 Status: PR Insp. Status: RI**Idle Well**Purpose: ☒ Shut In ☐ Temporarily Abandoned

Reminder: _____

Comment: Inspection doc. #684901990 stated "Well last produced in September 2014. If well remains SI, MIT for two years SI will be required." Unable to find records that an MIT has been performed. This issue is being forwarded to the Weld County field inspector and Northeast Engineer.

Audible gas leak identified from well head. Sign with emergency contact information missing from well head. Sign with emergency contact information at tank battery illegible. Reclamation specialist Trujillo contacted Weld County Inspector Presicka at 9:52 AM concerning the audible leak. Inspector Presicka left message with Rec Spec Trujillo at approximately 10:15 AM stating that a message had been left with Foundation providing 24 hour notice of the leak.

Corrective Action: **Securely fasten all valves, pipes and fittings to ensure good mechanical condition per Rule 605.d**

Date: 03/01/2017

Reclamation - Storm Water - Pit**Interim Reclamation:**

Date Interim Reclamation Started: _____ Date Interim Reclamation Completed: _____

Land Use: _____

Comment: [Rangeland](#)**1002 SITE PREPARATION AND STABILIZATION**

1002a. FENCING _____

Comment _____

Corrective Action _____

Date _____

1002b. SOIL REMOVAL AND
SEGREGATION _____

Comment _____

Corrective Action _____

Date _____

1002c. PROTECTION OF SOILS _____

Comment _____

Corrective Action _____

Date _____

1002E. SURFACE DISTURBANCE MINIMIZATION _____ Fail _____

Comment

[Appears that there are two \(2\) areas of the location being used as access, one on the north end of the location, and one on the southeast corner of the location. The northern access point appears to be travel through areas of the location not needed for production and should be included in interim reclamation per Surface disturbance minimization rules.](#)

Corrective Action _____

Date _____

1003a. Waste and Debris removed? _____

Comment

[See "good housekeeping"](#)

Corrective Action _____

Date _____

Unused or unneeded equipment onsite? _____

Comment _____

Corrective Action _____

Date _____

Pit, cellars, rat holes and other bores closed? _____

Comment _____

Corrective Action _____

Date _____

Guy line anchors marked? _____

Comment _____

Corrective Action _____

Date _____

- 1003b. Area no longer in use? Fail 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? Fail
- Production areas have been stabilized? Fail Segregated soils have been replaced? _____

RESTORATION AND REVEGETATIONCropland

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

Non-Cropland

Top soil replaced _____ Recontoured _____ 80% Revegetation _____

1003e. INTERIM VEGETATION TRANSECT

TRANSECT RESULTS OF DISTURBED AREA% _____

TRANSECT RESULTS OF REFERENCE AREA% _____

TOTAL % OF DESIRABLE VEGETATION COVER _____

VEGETATIVE COVER _____

1003 f. Weeds Noxious weeds? F

Comment

Location does not meet reclamation regulations; The northern, western and southwest portions of the location do not appear to be necessary for production activities, and have not been re-contoured and reclaimed per reclamation rules. Vegetation predominantly undesirable weedy species such as russian thistle. Puncture vine prevalent throughout location and needs to be managed. Inspection Doc. #682501617 required operator to perform interim reclamation. See Inspection Doc. #682501617 for additional details. Corrective action remains in place.

Corrective Action

Re-contour and reclaim all areas not needed for production per reclamation rules; Establish vegetation with total perennial, non-invasive uniform plant cover of at least eighty (80) percent of pre-disturbance or reference area levels. Use a seed mixture that matches the adjacent pastureland or a seed mixture requested by the landowner. Ensure erosion controls are implemented to stabilize the seeded soil, and continue to monitor and manage this site. Revegetation activities shall be complete no later than 6/15/2017

Date 06/15/2017

Overall Interim Reclamation Fail

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 _____

1004.d. FINAL VEGETATION TRANSECT

TRANSECT RESULTS OF DISTURBED AREA% _____

TRANSECT RESULTS OF REFERENCE AREA% _____

TOTAL % OF DESIRABLE VEGETATION COVER _____

VEGETATIVE COVER _____

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

Comment: Inspection doc. #682501617 documented that Insufficient stormwater and sediment control BMPs in place; areas along the perimeter of the current location experiencing degradation. These concerns will be mitigated during interim reclamation, however temporary BMPs need to be implemented to prevent further degradation. Inspection doc. #682501617 required operator to install or repair required BMPs per rule 1002.f. by 2/18/2017. BMPs have not been installed. Original corrective action and corrective action date remains in place.

Corrective Action: Install or repair required BMPs per rule 1002.f.

Date: 02/18/2017

Pits: ☐ NO SURFACE INDICATION OF PIT

Type:	Lined:	Pit ID:	Lat:	Long:
Reference Point: _____	Other: _____	Length: _____	Width: _____	

Lining:

Liner Type: _____ Liner Condition: _____

Comment: _____

Corrective Action: _____

Date: _____

Fencing:

Fencing Type: _____ Fencing Condition: _____

Comment: _____

Corrective Action: _____

Date: _____

Netting:

Netting Type: _____ Netting Condition: _____

Comment: _____

Corrective Action: _____

Date: _____

Anchor Trench Present: _____

Oil Accumulation: _____

2+ feet Freeboard: _____

Comment: Inspection Doc. #684901990 required operator to Submit form 15 eform pit report (10 days); No form 15 found in well or location records for a produced water skim pit. Original corrective action and corrective action date remains in place. This issue is being forwarded to environmental.

Corrective Action: _____

Submit form 15 eform pit report

Date: 08/29/2016

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

Document Num	Description	URL
401222037	INSPECTION SUBMITTED	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4087434
682501709	Inspection Photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4087433