

**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:

07/20/2017

Submitted Date:

07/20/2017

Document Number:

684903926**FIELD INSPECTION FORM**Loc ID 305200 Inspector Name: Pesicka, Conor 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:**19 Number of Comments9 Number of Corrective Actions☒ Corrective Action Response Requested**Contact Information:**

Contact Name	Phone	Email	Comment
,		regulatory@foundationenergy.com	All Inspections
,		pgallagh@blm.gov	BLM; federal/federal inspections
,		vkoehler@fs.fed.us	USFS; federal/federal inspections
Anderson, Austin	918-845-4700	aanderson@foundationenergy.com	

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
275386	WELL	PR	05/03/2005	OW	123-22634	FEDERAL GOSHAWK 28-13	PR

General Comment:

LocationOverall Good: ☒

Signs/Marker:			
Type	WELLHEAD		
Comment:			
Corrective Action:		Date:	
Type	TANK LABELS/PLACARDS		
Comment:			
Corrective Action:		Date:	
Type	BATTERY		
Comment:			
Corrective Action:		Date:	

Emergency Contact Number:

Comment:

Corrective Action:

Date: _____

Overall Good: ☒

Spills:				
Type	Area	Volume		

In Containment: No

Comment:

☐ Multiple Spills and Releases?

Fencing/:			
Type	PIT		
Comment:	barbed wire		
Corrective Action:		Date:	
Type	SEPARATOR		
Comment:	barbed wire		
Corrective Action:		Date:	
Type	PUMP JACK		
Comment:	barbed wire		
Corrective Action:		Date:	
Type	TANK BATTERY		
Comment:	barbed wire		
Corrective Action:		Date:	

Equipment:			corrective date
Type: Pump Jack	# 1		
Comment:	Stained soil at wellhead		
Corrective Action:	Remove or remediate stained soil; Securely fasten all valves, pipes, and fittings to ensure good mechanical condition, inspect at regular intervals and maintain in good mechanical condition per Rule 605.d.	Date:	08/21/2017

Type: Vertical Separator	# 1		
Comment:			
Corrective Action:			Date:
Type: Gas Meter Run	# 1		
Comment:			
Corrective Action:			Date:
Type: Emission Control Device	# 1		
Comment:			
Corrective Action:			Date:
Type: Prime Mover	# 1		
Comment:	ajax; stained soil in engine house		
Corrective Action:	Remove or remediate stained soil; Securely fasten all valves, pipes, and fittings to ensure good mechanical condition, inspect at regular intervals and maintain in good mechanical condition per Rule 605.d.		Date: 08/21/2017
Type: Flow Line	# 4		
Comment:	Disconnected, unmarked, unpainted, untagged, unlocked: 4 risers at tank battery		
Corrective Action:			Date:
Type: Vertical Heater Treater	# 1		
Comment:	Stained soil at heater treater		
Corrective Action:	Remove or remediate stained soil; Securely fasten all valves, pipes, and fittings to ensure good mechanical condition, inspect at regular intervals and maintain in good mechanical condition per Rule 605.d.		Date: 08/21/2017
Type: Bird Protectors	# 2		
Comment:			
Corrective Action:			Date:
Type: Deadman # & Marked	# 4		
Comment:	Unmarked, see interim reclamation		
Corrective Action:			Date:

Tanks and Berms:

Contents	#	Capacity	Type	Tank ID	SE GPS
CRUDE OIL	2	300 BBLs	STEEL AST		40.626220,-104.107870
Comment:	Stained soil at loadouts, at risers. Rust on tanks.				
Corrective Action:	Remove or remediate stained soil; Securely fasten all valves, pipes, and fittings to ensure good mechanical condition, inspect at regular intervals and maintain in good mechanical condition per Rule 605.d. (30 days)				Date: 08/21/2017
	Repair and paint tanks per Rule 804. (90 days; 10/20/17)				

Paint

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

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance	
Earth	Inadequate	Walls Sufficient	Base Sufficient	Inadequate	
Comment:	Inadequate berms on SE side of tank battery				
Corrective Action:	Repair or install berms or other secondary containment devices per Rule 605.a.(4).			Date:	08/21/2017

Venting:

Yes/No	NO		
Comment:			
Corrective Action:		Date:	

Flaring:

Type		
Comment:		
Corrective Action:		Date:

Inspected FacilitiesFacility ID: 275386 Type: WELL API Number: 123-22634 Status: PR Insp. Status: PR**Producing Well**Comment: PR sales gas

Corrective Action:

Date:

BradenHeadComment: Bradenhead not plumbed to surfaceCorrective Action: Plumb bradenhead to surfaceDate: 08/21/2017

Environmental	
Spill/Remediation:	
Comment:	
Corrective Action:	<div></div> <div>Date: </div>
Emission Control Burner (ECB): YES	
Comment: <div></div>	
Pilot: ON	Wildlife Protection Devices (fired vessels): YES

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

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

Land Use: _____

Comment: _____

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 _____

Comment _____

Corrective Action _____

Date _____

1003a. Waste and Debris removed? Pass

Comment _____

Corrective Action _____

Date _____

Unused or unneeded equipment onsite? Pass

Comment _____

Corrective Action _____

Date _____

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

Comment _____

Corrective Action _____

Date _____

Guy line anchors marked? FailComment Deadman unmarkedCorrective Action Mark deadmenDate 08/04/2017

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 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? _____

Comment _____

Corrective Action _____ Date _____

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 _____

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
Gravel	Pass	Gravel	Pass			

Comment: Corrective Action: Date: **Pits:** ☐ NO SURFACE INDICATION OF PITType: Produced WaterLined: NOPit ID: Lat: 40.626210Long: -104.107040Reference Point: SEOther: Length: 25Width: 25**Lining:**Liner Type: Liner Condition: Comment: Corrective Action: Date: c**Fencing:**Fencing Type: LivestockFencing Condition: AdequateComment: Corrective Action: Date: **Netting:**Netting Type: MeshNetting Condition: HolesComment: A few holes in nettingCorrective Action: Date: 07/27/2017Anchor Trench Present: Oil Accumulation: NO2+ feet Freeboard: YESComment: Unpermitted produced water pit with adjacent fiberglass skimCorrective Action: Date: 08/04/2017**Attached Documents**You can go to COGCC Images (<https://cogcc.state.co.us/weblink/>) and search by document number:

Document Num	Description	URL
684903927	Site photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4202790