

**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:

10/13/2017

Submitted Date:

10/13/2017

Document Number:

684904602

FIELD INSPECTION FORM

Loc ID 331150 Inspector Name: Pesicka, Conor On-Site Inspection 2A Doc Num: _____

Status Summary:

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

Operator Information:

OGCC Operator Number: 10112
Name of Operator: FOUNDATION ENERGY MANAGEMENT LLC
Address: 5057 KELLER SPRINGS RD STE 650
City: ADDISON State: TX Zip: 75001

Findings:

- 15 Number of Comments
- 4 Number of Corrective Actions
- Corrective Action Response Requested

Contact Information:

| Contact Name | Phone | Email | Comment |
|------------------|--------------|---------------------------------|---|
| Allison, Rick | | rick.allison@state.co.us | |
| , | | regulatory@foundationenergy.com | All Inspections |
| , | | vkoehler@fs.fed.us | USFS; federal/federal inspections |
| , | | pgallagh@blm.gov | BLM; federal/federal inspections |
| Anderson, Austin | 918-845-4700 | aanderson@foundationenergy.com | |
| Andrews, Doug | | doug.andrews@state.co.us | |

Inspected Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status |
|-------------|------|--------|-------------|------------|-----------|---------------------|-------------|
| 258929 | WELL | PR | 06/28/2001 | OW | 123-20233 | FEDERAL FALCON 33-6 | PR |

General Comment:

Location

Overall Good:

| Signs/Marker: | | | |
|----------------------|----------------------|-------|--|
| Type | WELLHEAD | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type | BATTERY | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type | TANK LABELS/PLACARDS | | |
| 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 | TANK BATTERY | | |
| Comment: | barbed wire | | |
| Corrective Action: | | Date: | |
| Type | PUMP JACK | | |
| Comment: | barbed wire | | |
| Corrective Action: | | Date: | |

| Equipment: | | | corrective date |
|--------------------|---|-------|-----------------|
| Type: Flow Line | # 2 | | |
| Comment: | 2 unmarked untagged flowline risers at tank battery | | |
| Corrective Action: | | Date: | |
| Type: Pump Jack | # 1 | | |

| | | | |
|-------------------------------|---|--|------------------|
| Comment: | | | |
| Corrective Action: | | | Date: |
| Type: Bird Protectors | # 2 | | |
| Comment: | | | |
| Corrective Action: | | | Date: |
| Type: Prime Mover | # 1 | | |
| Comment: | ajax; stained soil at engine | | |
| 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: 11/13/2017 |
| Type: Vertical Heater Treater | # 1 | | |
| Comment: | Stained soil inside treater 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: 11/13/2017 |
| Type: Emission Control Device | # 1 | | |
| Comment: | | | |
| Corrective Action: | | | Date: |
| Type: Deadman # & Marked | # 4 | | |
| Comment: | All 4 unmarked. | | |
| Corrective Action: | Mark all deadmen. | | Date: 10/30/2017 |
| Type: Gas Meter Run | # 1 | | |
| Comment: | | | |
| Corrective Action: | | | Date: |
| Type: Vertical Separator | # 1 | | |
| Comment: | | | |
| Corrective Action: | | | Date: |

Tanks and Berms:

| Contents | # | Capacity | Type | Tank ID | SE GPS |
|--------------------|---|----------|-----------|---------|-----------------------|
| CRUDE OIL | 2 | 300 BBLs | STEEL AST | | 40.625760,-104.102490 |
| Comment: | | | | | |
| Corrective Action: | | | | | Date: |

Paint

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

Berms

| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance |
|----------|----------|---------------------|---------------------|-------------|
| Earth | Adequate | Walls Sufficient | Base Sufficient | Adequate |
| Comment: | | | | |

| | | | |
|--------------------|--|-------|--|
| Corrective Action: | | Date: | |
|--------------------|--|-------|--|

Venting:

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

Flaring:

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

Inspected Facilities

Facility ID: 258929 Type: WELL API Number: 123-20233 Status: PR Insp. Status: PR

Producing Well

Comment: PR

Corrective Action:

Date:

BradenHead

Comment: Bradenhead not plumbed to surface

Corrective Action:

Date: _____

Environmental

Spill/Remediation:

Comment:

Corrective Action: Date:

Emission Control Burner (ECB): YES

Comment:

Pilot: ON Wildlife Protection Devices (fired vessels): YES

Reclamation - Storm Water - Pit

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 PIT

Type: Produced Water Lined: NO Pit ID: Lat: 40.625790 Long: -104.101760

Reference Point: SE Other: _____ Length: 20 Width: 15

Lining:

Liner Type: _____ Liner Condition: _____

Comment:

Corrective Action

Date: c

Fencing:

Fencing Type: Livestock Fencing Condition: Adequate

Comment:

Corrective Action

Date: _____

Netting:

Netting Type: Mesh Netting Condition: Good

Comment:

Corrective Action

Date: _____

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

Comment: Produced water pit with adjacent fiberglass skim; No pit permit on file for produced water pit

Corrective Action Submit an eForm 15 Pit Report to update COGCC records with current information.

Date: 10/30/2017

COGCC Comments

| Comment | User | Date |
|---|----------|------------|
| <u>EPS and OGLA included on inspection due to lack of permit on produced water pit.</u> | pesickac | 10/13/2017 |

Attached Documents

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

| Document Num | Description | URL |
|--------------|-------------|---|
| 684904603 | Site photos | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4274294 |