

**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:

07/31/2018

Submitted Date:

07/31/2018

Document Number:

691200313**FIELD INSPECTION FORM**Loc ID 323292 Inspector Name: Evins, Bret 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: 10112Name of Operator: FOUNDATION ENERGY MANAGEMENT LLCAddress: 5057 KELLER SPRINGS RD STE 650City: ADDISON State: TX Zip: 75001**Findings:**

- 14 Number of Comments
- 3 Number of Corrective Actions
- ☒ Corrective Action Response Requested

Contact Information:

| Contact Name | Phone | Email | Comment |
|--------------|-------|---------------------------------|-----------------------------------|
| | | pgallagh@blm.gov | BLM; federal/federal inspections |
| , | | regulatory@foundationenergy.com | All Inspections |
| | | vkoehler@fs.fed.us | USFS; federal/federal inspections |

Inspected Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status |
|-------------|------|--------|-------------|------------|-----------|------------------------------|-------------|
| 112083 | PIT | AC | 09/23/1999 | | - | FEDERAL NORTH WILDHORSE 7-27 | AC |
| 245029 | WELL | SI | 12/01/2016 | OW | 123-12824 | FEDERAL NORTH WILDHORSE 7-28 | SI |

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: _____

Good Housekeeping:

| | | | |
|--------------------|---|-------|------------|
| Type | OTHER | | |
| Comment: | Pumpjack house & gas engine area stained soil. Mechanical Conditions. 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. | | |
| Corrective Action: | Comply with Rule 605.d. | Date: | 08/30/2018 |
| Type | OTHER | | |
| Comment: | Pumpjack area gearbox & skid stained soil. Mechanical Conditions. 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. | | |
| Corrective Action: | Comply with Rule 605.d. | Date: | 08/30/2018 |

Overall Good: ☐

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

In Containment: No

Comment:

☐ Multiple Spills and Releases?

| | | | |
|--------------------|-----------------|-------|--|
| Fencing/: | | | |
| Type | PUMP JACK | | |
| Comment: | Wire mesh panel | | |
| Corrective Action: | | Date: | |

| | | | |
|-------------------------------|---|-------|-----------------|
| Equipment: | | | corrective date |
| Type: Vertical Heater Treater | # 1 | | |
| Comment: | Not in operation at time of inspection. No pressure on vessel. There are 3 unmarked risers on east side of treater. 1 - 1" riser & 2 - 2" risers. | | |
| Corrective Action: | | Date: | |

| | | |
|-------------------------------|---|-------|
| Type: Deadman # & Marked | # 4 | |
| Comment: | | |
| Corrective Action: | | Date: |
| Type: Bird Protectors | # 2 | |
| Comment: | | |
| Corrective Action: | | Date: |
| Type: Vertical Separator | # 1 | |
| Comment: | 2-phase separator. Not in operation at time of inspection. No pressure on vessel. | |
| Corrective Action: | | Date: |
| Type: Ancillary equipment | # 1 | |
| Comment: | Oil recycle pump near produced oil tanks. | |
| Corrective Action: | | Date: |
| Type: Prime Mover | # 1 | |
| Comment: | Gas engine drives pumping unit. Not in operation at time of inspection. | |
| Corrective Action: | | Date: |
| Type: Pump Jack | # 1 | |
| Comment: | Not in operation at time of inspection. | |
| Corrective Action: | | Date: |
| Type: Emission Control Device | # 1 | |
| Comment: | Not in operation at time of inspection. Inlet valves are shut. Pilot is off. | |
| Corrective Action: | | Date: |

Tanks and Berms:

| Contents | # | Capacity | Type | Tank ID | SE GPS |
|--------------------|---|----------|-----------|---------|-----------------------|
| CRUDE OIL | 2 | 300 BBLS | STEEL AST | | 40.635737,-104.093988 |
| 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 FacilitiesFacility ID: 112083 Type: PIT API Number: - Status: AC Insp. Status: ACFacility ID: 245029 Type: WELL API Number: 123-12824 Status: SI Insp. Status: SI**Idle Well**Purpose: ☒ Shut In ☐ Temporarily Abandoned Reminder: _____Comment: SI since 12/2016. Flowline valve is LOTO.

Corrective Action: _____ Date: _____

BradenHeadComment: Bradenhead is NOT plumbed to surface. Plumb bradenhead to surface. Mechanical Conditions. 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.Corrective Action: Comply with Rule 605.d. Date: 08/30/2018

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? Pass

Comment _____

Corrective Action _____

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 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 Water

Lined:

Pit ID: 112083Lat: 40.635728Long: -104.094663Reference Point: Other: Length: Width: **Lining:**

Liner Type:

Liner Condition:

Comment:

Corrective Action

Date: c**Fencing:**Fencing Type: None

Fencing Condition:

Comment:

Corrective Action

Date:

Netting:Netting Type: MeshNetting Condition: GoodComment:

Corrective Action

Date:

Anchor Trench Present:

Oil Accumulation: NO2+ feet Freeboard: YESComment:

Corrective Action

Date:

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

| Document Num | Description | URL |
|--------------|-------------|---|
| 691200314 | Site photos | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4539764 |