

**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:

11/19/2018

Submitted Date:

11/21/2018

Document Number:

682504197**FIELD INSPECTION FORM**Loc ID 327492 Inspector Name: Trujillo, Aaron On-Site Inspection ☐ 2A Doc Num: _____**Operator Information:**OGCC Operator Number: 10112Name of Operator: FOUNDATION ENERGY MANAGEMENT LLCAddress: 5057 KELLER SPRINGS RD STE 650City: ADDISON State: TX Zip: 75001**Status Summary:**

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

Findings:6 Number of Comments2 Number of Corrective Actions

- ☒
- Corrective Action Response Requested

**ANY CORRECTIVE ACTION(S) FROM
PREVIOUS INSPECTIONS THAT HAVE NOT
BEEN ADDRESSED ARE STILL APPLICABLE****Contact Information:**

Contact Name	Phone	Email	Comment
Binschus, Chris		chris.binschus@state.co.us	
,		regulatory@foundationenergy.com	All Inspections
Allison, Rick		rick.allison@state.co.us	

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
111646	PIT	AC			-	ANDREWS PIT (2 WELLS)	RI
453785	TANK BATTERY	AC			-	Andrews Tank Battery Facility	RI

General Comment:

This is a follow-up Final Reclamation Inspection for the tank battery location associated with PA Well API#123-14767. The tank battery location is in non-cropland. A separate Final Reclamation Inspection will be submitted for the well location which is in cropland. Refer to the attached inspection photos for more detail.

LocationOverall Good: ☐

Emergency Contact Number:

Comment: Corrective Action: Date: **Good Housekeeping:**

Type	UNUSED EQUIPMENT		
Comment:	Inspection #684904055 and #682403219 required operator to comply with Rule 603.f and remove all oil and gas equipment and other associated unused equipment. Corrective action has not been addressed.		
Corrective Action:	Comply with Rule 603.f. Corrective actions from the previous inspection were not resolved; therefore, the corrective action date on this inspection will remain the same from the previous inspection.		Date: 11/17/2017

Overall Good: ☐**Spills:**

Type	Area	Volume		
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In Containment: No

Comment: ☐ Multiple Spills and Releases?**Venting:**

Yes/No			
Comment:			
Corrective Action:		Date:	

Flaring:

Type		
Comment:		
Corrective Action:		Date:

Inspected Facilities								
Facility ID:	111646	Type:	PIT	API Number: -	Status:	AC	Insp. Status:	RI
Facility ID:	453785	Type:	TANK	API Number: -	Status:	AC	Insp. Status:	RI

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? _____

Comment _____

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? _____ 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 **Fail** _____ No disturbance /Location never built _____

Access Roads Regraded _____ Contoured _____ Culverts removed _____

Gravel removed _____

Location and associated production facilities reclaimed **Fail** _____ Locations, facilities, roads, recontoured _____

Compaction alleviation **Fail** _____ Dust and erosion control _____

Non cropland: Revegetated 80% **Fail** _____ 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 **11/15/2017**

Corrective Action (CA)#1: Perform reclamation in accordance to Rule 1003 and 1004 standards as soon as possible. Establish vegetation with total perennial, non-invasive uniform plant cover of at least eighty (80) percent of reference area levels. Ensure erosion controls are implemented to stabilize the seeded soil. The Operator shall continue to monitor and manage this site until the location meets Rule 1004 standards. CA #2: Provide documentation the surface owner asked for the proposed seed mixture. Corrective action date is back dated using the reclamation complete date of 11/15/2017, stated on the Form 27.

Overall Final Reclamation

Fail

Well Release on Active Location ☐Multi-Well Location ☐**COGCC Comments**

Comment	User	Date
Due to ongoing compliance issues, this location is being referred for enforcement.	trujilloam	11/21/2018
RECLAMATION COMMENT	trujilloam	11/21/2018
This location is not in compliance with Rules 1003 and 1004.. Operator appears to have backfilled the pit, however, it does not appear as though operator provided notice per Form 27 #401436081 COAs. Operator has failed to remove equipment per Rule 1004. Operator has failed to complete final reclamation activities within the first favorable season per Rule 1003.e.(2), Rule 1004 and corrective actions. Operator has failed to complete final reclamation activities by the reclamation complete date of 11/15/2017, stated on the Form 27. Operator has failed to provide documentation that the surface owner asked for the proposed seed mixture. In addition, oil contaminated soils evident around tanks laying on side and left on location, and a barrel containing petroleum distillates/Isopropyl alcohol is not within secondary containment. Corrective actions have not been addressed and remain applicable.		

Attached Documents

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

Document Num	Description	URL
401848146	INSPECTION SUBMITTED	http://ogccwebblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4653134
682504198	Inspection Photos	http://ogccwebblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4653106