

**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:

06/07/2019

Submitted Date:

06/09/2019

Document Number:

679704407**FIELD INSPECTION FORM**Loc ID 315669 Inspector Name: Moran, Rick 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:**10 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    |
|--------------------|--------------|---------------------------------|------------|
| Arauz, Steven      |              | steven.arauza@state.co.us       |            |
| Wentzel, Dougo     |              | dougo.wentzel@state.co.us       |            |
| Kellerby, Shaun    | 970-712-1248 | shaun.kellerby@state.co.us      |            |
| Energy, Foundation |              | regulatory@foundationenergy.com | Regulatory |

**Inspected Facilities:**

| Facility ID | Type | Status | Status Date | Well Class | API Num   | Facility Name     | Insp Status |
|-------------|------|--------|-------------|------------|-----------|-------------------|-------------|
| 231304      | WELL | PR     | 08/20/1982  | GW         | 103-08974 | KIRBY-EIDSON 28-4 | PR          |

**General Comment:**[COGCC Inspection Report Summary.](#)

On 6-7-2019 at approximately 16:30, inspector Rick Moran, conducted a follow up inspection at Foundation Energy Management's well Kirby Eidson 28-4 in Rio Blanco county.

Additional compliance issues were identified:

- 1) Blowdown tank floating in fluid filled secondary containment. Photo 9. Complete by 7-8-2019.
- 2) No wellhead sign. Photo 10. Complete by 8-8-2019.

Note: A landslide exists on the northwest edge of the location. Photo's 2 to 8.

A follow up on this site inspection will be conducted to ensure the compliance issues have been corrected to comply with COGCC rules.

This is a summary of inspection report 679704407.

**Location**Overall Good: ☒

|                      |   |       |            |
|----------------------|---|-------|------------|
| <b>Signs/Marker:</b> |   |       |            |
| Type                 | BATTERY                                 |       |            |
| Comment:             |   |       |            |
| Corrective Action:   |   | Date: |            |
| Type                 | WELLHEAD                                |       |            |
| Comment:             | Sign not posted.                        |       |            |
| Corrective Action:   | Install sign to comply with Rule 210.b. | Date: | 08/08/2019 |

Emergency Contact Number:

Comment: 866-767-3600

Corrective Action:

Date: \_\_\_\_\_

Overall Good: ☐

|                |      |        |  |
|----------------|------|--------|--|
| <b>Spills:</b> |      |        |  |
| Type           | Area | Volume |  |

In Containment: No

Comment:

☐ Multiple Spills and Releases?

|                            |  |       |                 |
|----------------------------|--|-------|-----------------|
| <b>Equipment:</b>          |  |       | corrective date |
| Type: Gas Meter Run        | # 1  |       |                 |
| Comment:                   |  |       |                 |
| Corrective Action:         |  | Date: |                 |
| Type: Ancillary equipment  | # 1  |       |                 |
| Comment:                   | Container of methanol with secondary containment.              |       |                 |
| Corrective Action:         |  | Date: |                 |
| Type: Deadman # & Marked   | # 3  |       |                 |
| Comment:                   | A possible location of a 4th deadman is in the landslide area. |       |                 |
| Corrective Action:         |  | Date: |                 |
| Type: Horizontal Separator | # 1  |       |                 |
| Comment:                   |  |       |                 |
| Corrective Action:         |  | Date: |                 |

**Tanks and Berms:**

| Contents           | #  | Capacity | Type        | Tank ID | SE GPS                |
|--------------------|--|----------|-------------|---------|-----------------------|
| PRODUCED WATER     | 1  | <50 BBLS | PLASTIC AST |         | 39.669700,-108.856900 |
| Comment:           | Tank is floating and moving on the fluid inside the secondary containment. |          |             |         |                       |
| Corrective Action: | Install or repair required BMPs per Rule 1002.f.                           |          |             |         | Date: 07/08/2019      |

**Paint**

Condition Adequate

|                               |  |
|-------------------------------|--|
| Other (Content)               |  |
| Other (Capacity) 1000 gallons |  |
| Other (Type)                  |  |

**Berms**

|                    |   |                     |                     |             |
|--------------------|---|---------------------|---------------------|-------------|
| Type               | Capacity  | Permeability (Wall) | Permeability (Base) | Maintenance |
| Earth              | Adequate  | Walls Sufficient    | Base Sufficient     |             |
| Comment:           | Bermed area is filled with fluid to 8" below top of berm. |                     |                     |             |
| Corrective Action: |   |                     |                     | Date:       |

**Venting:**

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

**Flaring:**

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

|                             |                 |                       |            |                  |
|-----------------------------|-----------------|-----------------------|------------|------------------|
| <b>Inspected Facilities</b> |                 |                       |            |                  |
| Facility ID: 231304         | Type: WELL      | API Number: 103-08974 | Status: PR | Insp. Status: PR |
| <b>Producing Well</b>       |                 |                       |            |                  |
| Comment:                    | Producing well. |                       |            |                  |
| Corrective Action:          |                 |                       |            | Date:            |

|  |
|--|
|  |
|--|

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

| Loc Erosion BMPs | BMP Maintenance | Lease Road Erosion BMPs | Lease BMP Maintenance | Chemical BMPs | Chemical BMP Maintenance | Comment |
|------------------|-----------------|-------------------------|-----------------------|---------------|--------------------------|---------|
|                  |                 |                         |                       |               |                          |         |

Comment: [The northwest side of the location has a landslide. The landslide is 300' wide and 600' long. Vertical elevation change 100'. Prior satellite images indicate an increase in size from the 1990's to 2009 to ~2019.](#)

Corrective Action:

Date: \_\_\_\_\_

**Pits:** ☐ NO SURFACE INDICATION OF PITType: BlowdownLined: NO

Pit ID:

Lat: 39.669700Long: -108.857000

Reference Point: \_\_\_\_\_

Other: \_\_\_\_\_

Length: \_\_\_\_\_

Width: \_\_\_\_\_

**Lining:**

Liner Type:

Liner Condition:

Comment:

Corrective Action

Date:

**Fencing:**Fencing Type: WildlifeFencing Condition: Adequate

Comment:

Corrective Action

Date:

**Netting:**

Netting Type:

Netting Condition:

Comment:

Corrective Action

Date:

Anchor Trench Present:

Oil Accumulation: NO2+ feet Freeboard: YES

Comment:

Corrective Action

Date:

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

| Document Num | Description          | URL   |
|--------------|----------------------|---|
| 402068743    | INSPECTION SUBMITTED | <a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4844258">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4844258</a> |
| 679704408    | inspection photos    | <a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4844249">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4844249</a> |