

**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:

07/10/2019

Submitted Date:

07/12/2019

Document Number:

696101142**FIELD INSPECTION FORM**
 Loc ID 331563 Inspector Name: Evins, Bret 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:32 Number of Comments1 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
Pesicka, Conor		conor.pesicka@state.co.us	
Koehler, Bob		bob.koehler@state.co.us	
Beard, Alyssa		regulatory@foundationenergy.com	Regulatory Manager All Inspections

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
263494	WELL	PR	10/15/2002	OW	123-20908	STATE 36-16	SI

General Comment:

This is a UIC WELL & ENHANCED RECOVERY FACILITY Inspection.
 Facility: Shut-down / Inactive operation.
 Wells: 1 UIC well: Shut-In | SI
 Follow-up to Field Inspection Report Doc #681700957 dated 11/28/2017.

Location			
Lease Road:			
Type	Access		
comment:	<p>Prior insp: Access Road to wellhead is rutted. Repair & maintain lease road. Original Corrective Action date: 01/04/2018.</p> <p>This insp: * Access & Lease road to wellhead ruts appear mitigated. See photo #7.</p>		
Corrective Action	L	Date:	
Overall Good: <input type="checkbox"/>			
Signs/Marker:			
Type	WELLHEAD		
Comment:	<p>Prior insp: No sign at wellhead. Install sign to comply with Rule 210.b. (well sign). Original Corrective Action date: 11/24/2017. This insp:</p> <p>* Well sign now posted. See photo #3.</p>		
Corrective Action:		Date:	
Type	BATTERY		
Comment:	<p>Prior insp: Operator emergency contact information decal is damaged. Phone number is illegible. Install sign to comply with Rule 210.b. (battery sign). Original Corrective Action date: 11/24/2017.</p> <p>This insp: * Emergency contact info NOW posted at battery. See photos #4, 5, 6.</p>		
Corrective Action:		Date:	
Emergency Contact Number:			
Comment:			
Corrective Action:			Date: _____
Good Housekeeping:			
Type	UNUSED EQUIPMENT		
Comment:	<p>Prior insp: 2 - Unused 2" bullplugged flowline risers east of crude oil ASTs. Comply with Rule 603.f. (flowlines) Original Corrective Action date: 03/04/2018.</p> <p>This insp: 2 - Unused 2" bullplugged flowline risers east of crude oil ASTs. Remain, have NOT been Lock-out / Tag-out or removed. See photo #8.</p>		
Corrective Action:	Remove or Lock-out / Tag-out 2 unused bullplugged flowline risers. Comply with Rule 603.f. (flowlines)	Date:	03/04/2018
Type	STORAGE OF SUPL		

Comment:	<p>Prior insp: One 55-gallon drum outside of pump jack shed to the east is uncapped. Storage of Supl. Comply with Rule 603.f. Original Corrective Action date: 01/04/2018.</p> <p>This insp: * 55-gallon drum NOW removed from site. see photo #1.</p>				
Corrective Action:				Date:	

Overall Good: ☐

Spills:					
Type	Area	Volume			
Crude Oil	Tank	<= 1 bbl			
Comment:	<p>Prior insp: photos #9, 10. 9.) Localized, oil-stained soil east of crude oil ASTs. Historical accumulations of oily waste beneath valves on north and south sides of crude oil ASTs. Remove and properly dispose of oily waste, per Rule 907.e. (tanks). Original Corrective Action date: 10/26/2017.</p> <p>This insp: * Oily waste NOW appears mitigated east of crude oil ASTs. and beneath valves on north and south sides of crude oil ASTs. See photos #11, 12, 15-18.</p>				
Corrective Action:				Date:	
Lube Oil	Pump Jack	<= 1 bbl			
Comment:	<p>Prior insp: Localized, oil-stained soil beneath prime mover. Remove and properly dispose of non-E&P waste in accordance with Rule 907A. (prime mover). Original Corrective Action date: 10/26/2017.</p> <p>This insp: * Localized, oil-stained soil beneath prime mover NOW appears mitigated. See photos #9, 10.</p>				
Corrective Action:				Date:	
Crude Oil	Separator	<= 1 bbl			
Comment:	<p>Prior insp: Localized, oil-stained soil inside of treater/separator shed. Remove and properly dispose of oily waste, per Rule 907.e. (Treater, separator). 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. (Treater, separator). Original Corrective Action date: 10/26/2017.</p> <p>This insp: * Localized, oil-stained soil inside of treater/separator shed NOW appears mitigated. See photos #13, 14.</p>				
Corrective Action:				Date:	
Crude Oil	Pump Jack	<= 1 bbl			

Comment:		<p>Prior insp: Historical accumulation of oily waste and oil-stained soil beneath south end of pump jack and day tanks at south end of pump jack. Remove and properly dispose of oily waste, per Rule 907.e. (pump jack and day tanks). Original Corrective Action date: 10/26/2017.</p> <p>This insp: * Oily waste NOW appears mitigated beneath south end of pump jack and day tanks at south end of pump jack. See photo #1.</p>			
Corrective Action:				Date:	
Crude Oil	WELLHEAD	<= 1 bbl			
Comment:		<p>Prior insp: Localized historical accumulation of oily waste and oil-stained soil at wellhead. Remove and properly dispose of oily waste, per Rule 907.e. (wellhead) Original Corrective Action date: 10/26/2017.</p> <p>This insp: * Oily waste NOW appears mitigated at wellhead. See photo #1.</p>			
Corrective Action:				Date:	
In Containment: No					
Comment:					
<input type="checkbox"/> Multiple Spills and Releases?					
Fencing/:					
Type	WELLHEAD				
Comment:	Barbed wire				
Corrective Action:					Date:
Type	PUMP JACK				
Comment:	Iron wire mesh				
Corrective Action:					Date:
Equipment:					
Type: Pump Jack	# 1				corrective date
Comment:					
Corrective Action:					Date:
Type: Emission Control Device	# 1				
Comment:	Controls crude oil tanks VOCs. Pilots: OFF Shut-down.				
Corrective Action:					Date:
Type: Vertical Separator	# 1				
Comment:	<p>Prior insp: Localized, oil-stained soil inside of treater/separator shed. Remove and properly dispose of oily waste, per Rule 907.e. (Treater, separator). 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. (Treater, separator). Original Corrective Action date: 10/26/2017.</p> <p>This insp: * Localized, oil-stained soil inside of treater/separator shed NOW appears mitigated. See photos #13, 14.</p>				

Corrective Action:		Date:	
Type: Vertical Heater Treater	# 1		
Comment:	<p>Prior insp: Localized, oil-stained soil inside of treater/separator shed. Remove and properly dispose of oily waste, per Rule 907.e. (Treater, separator). 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. (Treater, separator). Original Corrective Action date: 10/26/2017.</p> <p>This insp: * Localized, oil-stained soil inside of treater/separator shed NOW appears mitigated. See photos #13, 14.</p>		
Corrective Action:		Date:	
Type: Bird Protectors	# 2		
Comment:			
Corrective Action:		Date:	
Type: Deadman # & Marked	# 4		
Comment:	4/4		
Corrective Action:		Date:	
Type: Ancillary equipment	# 1		
Comment:	ECD scrubber.		
Corrective Action:		Date:	
Type: Ancillary equipment	# 0		
Comment:	<p>Day tanks NOW removed from site. Prior insp: Day tanks at SW and SE corners of pump jack lack secondary containment devices. Repair or install berms or other secondary containment devices per Rule 906.d.(1). (day tanks) Original Corrective Action date: 11/24/2017.</p> <p>This insp: *Day tanks NOW removed from site. See photo #1.</p>		
Corrective Action:		Date:	
Type: Prime Mover	# 1		
Comment:	<p>Gas Engine. Prior insp: Localized, oil-stained soil beneath prime mover. Remove and properly dispose of non-E&P waste in accordance with Rule 907A. (prime mover). 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. (prime mover) Original Corrective Action date: 10/26/2017.</p> <p>This insp: * Localized, oil-stained soil beneath prime mover NOW appears mitigated. See photos #9, 10.</p>		
Corrective Action:		Date:	
Type: Bradenhead	# 1		
Comment:	Appears plumbed to surface.		

Corrective Action:		Date:	
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Tanks and Berms:

Contents	#	Capacity	Type	Tank ID	SE GPS
PRODUCED WATER	1	300 BBLS	FIBERGLASS AST		40.611827,-104.034960

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:	<p>Prior insp: Produced H2O Tank. Earthen berm is shallow due to erosion and damage. Berm area is insufficient to contain tank volume plus freeboard per Rule 605.a.(4). Operator had been instructed to improve capacity at produced water tank in 1/28/2015 Field Inspection Report. Immediately repair or install berms or other secondary containment devices per Rule 605.a.(Produced H2O tank). Original Corrective Action date: 02/27/2015.</p> <p>This insp: * Produced H2O tank berms appears mitigated. See photos #25, 26.</p>
Corrective Action:	Date:

Contents	#	Capacity	Type	Tank ID	SE GPS
OTHER	1	OTHER	PBV FIBERGLASS		40.611832,-104.034808

Comment:	<p>Prior insp: 50 bbl skim tank on west end of produced water tank lacks NFPA placard. Install sign to comply with Rule 210.d. Original Corrective Action date: 12/24/2017.</p> <p>This insp: * NFPA placard NOW posted on 50 Bbls. skim tank. See photo #19, 20.</p>
Corrective Action:	Date:

Paint

Condition	
Other (Content)	skim tank
Other (Capacity)	50 Bbls.
Other (Type)	

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Earth	Adequate	Walls Sufficient	Base Sufficient	Adequate

Comment:	<p>Shares berms w/ earthen pit. Prior insp: Earthen berm shared with produced water pit. Berms are eroded and damaged. Skim tank lacks adequate earthen berms on north, west, and south sides. Repair or install berms or other secondary containment devices per Rule 605.a.(4). (skim tank). Original Corrective Action date: 11/24/2017.</p> <p>This insp: * Skim tank & earthen pit berms appears mitigated. See photos #21-24.</p>				
Corrective Action:					

Contents	#	Capacity	Type	Tank ID	SE GPS
CRUDE OIL	3	300 BBLs	STEEL AST		40.611812,-104.035326

Comment:	<p>Prior insp: Localized, oil-stained soil east of crude oil ASTs. Historical accumulations of oily waste beneath valves on north and south sides of crude oil ASTs. Remove and properly dispose of oily waste, per Rule 907.e. (tanks). 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. (crude oil ASTs) Original Corrective Action date: 10/26/2017.</p> <p>This insp: * Oily waste NOW appears mitigated east of crude oil ASTs. and beneath valves on north and south sides of crude oil ASTs. See photos #11, 12, 15-18.</p>				
Corrective Action:					

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:	<p>Prior insp: Crude Oil Tanks (AST). Earthen berms are shallow and eroded. Depression north of ASTs, inside of berm, was dry on date of inspection. Repair or install berms or other secondary containment devices per Rule 605.a.(4). (crude oil ASTs). Original Corrective Action date: 11/24/2017.</p> <p>This insp: Berm floor depression remains and contains residual fresh water from prior rain. * Crude Oil Tanks (ASTs) berms NOW appears mitigated. See photos #27, 28</p>				
Corrective Action:					

Venting:

Yes/No	NO	
Comment:		
Corrective Action:		Date:

Flaring:			
Type			
Comment:			
Corrective Action:		Date:	

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Inspected FacilitiesFacility ID: 263494 Type: WELL API Number: 123-20908 Status: PR Insp. Status: SI**Underground Injection Control**

UIC Violation: _____ Maximum Injection Pressure: _____

UIC Routine

Inj./Tube: Pressure or inches of Hg _____ Previous Test Pressure _____ MPP _____
 (e.g. 30 psig or -30" Hg) Inj Zone: _____

TC: Pressure or inches of Hg _____ Previous Test Pressure _____ Last MIT: _____

Brhd: Pressure or inches of Hg _____ Previous Test Pressure _____ AnnMTReq: _____

Comment: Shut-In | SI at time of inspection.
 Observed pressures at well:
 Tbg: 0#
 Csg: 0#
 Bradenhead: 0#
 Last MIT Date: 07/10/2019.
 Last MIT Test Pressure: 1497#
 MAIP: 2250#
 Avg Inj. Press, Prior: Not Applicable | N/A

Corrective Action: _____ Date: _____

Method of Injection: _____

Test Type: _____ Tbg psi: _____ Csg psi: _____ BH psi: _____

Insp. Status: _____

Comment: _____

Corrective Action: _____ Date: _____

Idle WellPurpose: ☒ Shut In ☐ Temporarily Abandoned Reminder: _____Comment: Shut-In | SI at time of inspection.

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
Gravel		Gravel				

Comment:

Corrective Action:

Date: _____

Pits: ☐ NO SURFACE INDICATION OF PITType: _____ Lined: _____ Pit ID: 273446 Lat: 40.611835 Long: -104.034734Reference Point: SE Other: _____ Length: 20 Width: 20**Lining:**

Liner Type:

Liner Condition:

Comment:

Corrective Action

Date:

Fencing:

Fencing Type:

Fencing Condition:

Comment:

Corrective Action

Date:

Netting:Netting Type: MeshNetting Condition: Good

Comment:

Prior insp:
Produced H2O Pit. Gaps in wildlife mesh are large enough to allow wildlife access.
Repair mesh to prevent access per Rule 902.d.
Original Corrective Action date: 10/25/2017.

This insp:
* Wildlife mesh gaps NOW appears mitigated.
See photos #21-24.

Corrective Action

Date:

Anchor Trench Present: NOOil Accumulation: NO2+ feet Freeboard: YES

Comment:

Prior insp:
Pit berms are damaged and eroded. Localized accumulations of oil-stained soil inside NW and SW corners of berms and incorporated into east and south berms.
Remove and properly dispose of oily waste, per Rule 907.e. Repair berms.
Original Corrective Action date: 10/26/2017.

This insp:
* Pit berms Now appears mitigated. Oily waste appears mitigated.
See photos #21-24.

Corrective Action

Date:

COGCC Comments

Comment	User	Date
CCOGCC Inspection Report Summary:	evinsb	07/11/2019

On WED 07/10/2019 at approximately 12:41 hrs. I, Bret Evins, conducted an on-site inspection at:
 Operator Name: FOUNDATION ENERGY MANAGEMENT LLC
 Location Name: STATE-68N60W /36SESE
 Location ID: 331563
 Well Name: State 36-16
 API: 05-123-20908
 Location County: Weld County, Colorado
 Weather: Dry with some puddles from prior rain.

While there, I observed: Well(s) - 1: Shut-In | SI. UIC Injection.
 UIC Injection Facility / Battery: Shut-down. Inactive operation.

Follow-up to Field Inspection Report Doc #681700957 dated 11/28/2017.

20 of 22 Corrective Actions appears addressed.

1.) Access Road to wellhead is rutted.

Repair & maintain lease road.

Original Corrective Action date: 01/04/2018.

* Access & Lease road to wellhead ruts appear mitigated.

See photo #7.

2.) No sign at wellhead.

Install sign to comply with Rule 210.b. (well sign).

Original Corrective Action date: 11/24/2017.

* Well sign NOW posted.

See photo #3.

3.) Operator emergency contact information decal is damaged. Phone number is illegible.

Install sign to comply with Rule 210.b. (battery sign).

Original Corrective Action date: 11/24/2017.

* Emergency contact info NOW posted at battery.

See photos #4, 5, 6.

4.) One 55-gallon drum outside of pump jack shed to the east is uncapped.

Storage of Supl.

Comply with Rule 603.f.

Original Corrective Action date: 01/04/2018.

* 55-gallon drum NOW removed from site.

See photo #1.

5.) Localized historical accumulation of oily waste and oil-stained soil at wellhead.

Remove and properly dispose of oily waste, per Rule 907.e. (wellhead)

Original Corrective Action date: 10/26/2017.

* Oily waste NOW appears mitigated at wellhead.

See photo #1.

6.) Historical accumulation of oily waste and oil-stained soil beneath south end of pump jack and day tanks at south end of pump jack.

Remove and properly dispose of oily waste, per Rule 907.e. (pump jack and day tanks).

Original Corrective Action date: 10/26/2017.

* Oily waste NOW appears mitigated beneath south end of pump jack and day tanks at south end of pump jack.

See photo #1.

7 & 8.) Localized, oil-stained soil beneath prime mover.

Remove and properly dispose of non-E&P waste in accordance with Rule 907A. (prime mover).

Original Corrective Action date: 10/26/2017.

* Localized, oil-stained soil beneath prime mover NOW appears mitigated.

See photos #9, 10.

9, 10.) Localized, oil-stained soil east of crude oil ASTs. Historical accumulations of oily waste

beneath valves on north and south sides of crude oil ASTs.

Remove and properly dispose of oily waste, per Rule 907.e. (tanks).

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. (crude oil ASTs)

Original Corrective Action date: 10/26/2017.

* Oily waste NOW appears mitigated east of crude oil ASTs.

and beneath valves on north and south sides of crude oil ASTs.

See photos #11, 12, 15-18.

11, 12, 13.) Localized, oil-stained soil inside of treater/separator shed.
 Remove and properly dispose of oily waste, per Rule 907.e. (Treater, separator).
 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.
 (Treater, separator).
 Original Corrective Action date: 10/26/2017.
 * Localized, oil-stained soil inside of treater/separator shed NOW appears mitigated.
 See photos #13, 14.

14.) Day tanks at SW and SE corners of pump jack lack secondary containment devices.
 Repair or install berms or other secondary containment devices per Rule 906.d.(1).
 (day tanks)
 Original Corrective Action date: 11/24/2017.
 *Day tanks NOW removed from site.
 See photo #1.

15.) 50 bbl skim tank on west end of produced water tank lacks NFPA placard.
 Install sign to comply with Rule 210.d.
 Original Corrective Action date: 12/24/2017.
 * NFPA placard NOW posted on 50 Bbls. skim tank.
 See photo #19, 20.

16.) Earthen berm shared with produced water pit. Berms are eroded and damaged. Skim
 tank
 lacks adequate earthen berms on north, west, and south sides.
 Repair or install berms or other secondary containment devices per Rule 605.a.(4). (skim
 tank).
 Original Corrective Action date: 11/24/2017.
 * Skim tank & earthen pit berms appears mitigated.
 See photos #21-24.

17.) Produced H2O Tank. Earthen berm is shallow due to erosion and damage. Berm area
 is insufficient to contain
 tank volume plus freeboard per Rule 605.a.(4). Operator had been instructed to improve
 capacity at produced water tank in 1/28/2015 Field Inspection Report.
 Immediately repair or install berms or other secondary containment devices
 per Rule 605.a.(Produced H2O tank).
 Original Corrective Action date: 02/27/2015.
 * Produced H2O tank berms appears mitigated.
 See photos #25, 26.

18.) Crude Oil Tanks (AST). Earthen berms are shallow and eroded. Depression north of
 ASTs, inside of berm, was dry
 on date of inspection.
 Repair or install berms or other secondary containment devices per Rule 605.a.(4).
 (crude oil ASTs).
 Original Corrective Action date: 11/24/2017.
 Berm floor depression remains and contains residual fresh water from prior rain.
 * Crude Oil Tanks (ASTs) berms NOW appears mitigated.
 See photos #27, 28

19.) Produced H2O Pit. Gaps in wildlife mesh are large enough to allow wildlife access.
 Repair mesh to prevent access per Rule 902.d.
 Original Corrective Action date: 10/25/2017.
 * Wildlife mesh gaps NOW appears mitigated.
 See photos #21-24.

20.) Pit berms are damaged and eroded. Localized accumulations of oil-stained soil inside
 NW
 and SW corners of berms and incorporated into east and south berms.
 Remove and properly dispose of oily waste, per Rule 907.e. Repair berms.
 Original Corrective Action date: 10/26/2017.
 * Pit berms Now appears mitigated. Oily waste appears mitigated.
 See photos #21-24.

1 of 1 Corrective Actions appears NOT addressed.

1.) 2 - Unused 2" bullplugged flowline risers east of crude oil ASTs.
 Comply with Rule 603.f. (flowlines)
 Original Corrective Action date: 03/04/2018.

2 - Unused 2" bullplugged flowline risers east of crude oil ASTs. Remain, have NOT been
 Lock-out / Tag-out or removed.
 See photo #8.

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

NO: NEW Corrective Actions observed on this inspection.

This is a summary of the inspection report.

Attached Documents

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

Document Num	Description	URL
402107265	INSPECTION SUBMITTED	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4877428
696101144	Site photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4877427