

**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:

09/09/2019

Submitted Date:

09/17/2019

Document Number:

699700005**FIELD INSPECTION FORM**
 Loc ID 322392 Inspector Name: Heil, John 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:**9 Number of Comments7 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
Fischer, Alex		alex.fischer@state.co.us	
Beard, Alyssa		regulatory@foundationenergy.com	
,		regulatory@foundationenergy.com	All Inspections

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
112108	PIT				-	FEDERAL 6-13	EI
112109	PIT	AC			-	FEDERAL 6-13	EI
210403	WELL	SI	04/01/2019	GW	045-06159	FEDERAL 6-13	EI
440877	SPILL OR RELEASE	AC	02/17/2015		-	SPILL/RELEASE POINT	EI

General Comment:

On September 10, 2019, COGCC Environmental Staff (John Heil) conducted an environmental field inspection of FOUNDATION ENERGY MANAGEMENT LLC (Foundation, operator# 10112) Location ID 322392 to examine Pit ID 112108 (Rem# 11306), 112109 and Spill ID 440877. Weather was sunny and temperatures about 75 degrees Fahrenheit.

COGCC staff observed a landfarm on location measuring approximately 45 feet by 45 feet by 3 feet tall and an excavation measuring 25 feet by 25 feet by 10 feet deep. See environmental section for details on addressing the mentioned Pits and Spill.

LocationOverall Good: ☐

Emergency Contact Number:

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

Type	UNUSED EQUIPMENT		
Comment:	Two horizontal heated separator located west of the location (across U-1 1/10 Road, Prairie Canyon Road, see photos)		
Corrective Action:	Comply with Rule 603.f .	Date:	12/17/2019
Type	UNUSED EQUIPMENT		
Comment:	Site wide unused equipment (See photos).		
Corrective Action:	Comply with Rule 603.f. (Same unused equipment on location from Inspection Doc# 675200363, 8/7/2014).	Date:	10/17/2019

Overall Good: ☐**Spills:**

Type	Area	Volume		
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In Containment: No

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

Type: Compressor	#		corrective date
Comment:	Stained soil beneath blue compressor unit located north of the separator.		
Corrective Action:	Properly treat or dispose of oily waste in accordance with 907.e.		Date: 10/17/2019
Type: Compressor	#		
Comment:	Active gas leak coming from pink tubing used for plumbing the blue compressor (See video). Operator was notified via cell phone on 9/10/2019. Scout card for well (05-045-06159) indicates that the well is shut in (SI).		
Corrective Action:	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. Operator shall provide information on if the well is shut in or temporarily abandoned.		Date: 10/17/2019

Tanks and Berms:

Contents	#	Capacity	Type	Tank ID	SE GPS	
CRUDE OIL		100 BBLS	STEEL AST		,	
Comment:						
Corrective Action:						Date:

Paint

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

Berms				
Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Earth	Adequate	Walls Insufficient	Base Sufficient	Adequate
Comment: Inadequate berms around tank (See photos).				
Corrective Action: Repair or install berms or other secondary containment devices per Rule 906.d.(1). If tank is no longer in use it is considered unused equipment. Remove tank within 90 days or repair secondary containment in 30 days.				Date: 10/17/2019
Venting:				
Yes/No				
Comment:				
Corrective Action:				Date:
Flaring:				
Type				
Comment:				
Corrective Action:				Date:

Inspected Facilities

Facility ID: <u>112108</u>	Type: <u>PIT</u>	API Number: <u>-</u>	Status: <u></u>	Insp. Status: <u>EI</u>
Facility ID: <u>112109</u>	Type: <u>PIT</u>	API Number: <u>-</u>	Status: <u>AC</u>	Insp. Status: <u>EI</u>
Facility ID: <u>210403</u>	Type: <u>WELL</u>	API Number: <u>045-06159</u>	Status: <u>SI</u>	Insp. Status: <u>EI</u>
Facility ID: <u>440877</u>	Type: <u>SPILL OR</u>	API Number: <u>-</u>	Status: <u>AC</u>	Insp. Status: <u>EI</u>

Environmental**Spills/Releases:**Type of Spill: PRODUCED WATEREstimated Spill Volume: 18

Comment: [COGCC staff discovered a leak coming from a frost free valve on the east side of the tank. An Initial Form 19 was submitted by the Operator on 2/13/2015 \(Doc# 400791454, Spill ID 440877\).](#)

Corrective Action: [Operator shall provide a Supplemental F19 for Spill ID 440877, requesting closure of the spill, and stating that remediation of Spill ID 440877 will be combined with the closure of Pit Facility ID 112109.](#)

Date: 11/01/2019Reportable: YES

GPS: Lat _____ Long _____

Proximity to Surface Water: _____

Depth to Ground Water: _____

Water Well Complaint:

Lat _____ Long _____

DWR Receipt Num: _____ Owner Name: _____ GPS : _____

Field Parameters:

Sample Location: _____ Comment: _____

Spill/Remediation:

Comment: [Open Remediation Project \(11306\) on location for the closure of Pit ID 112108 \(Doc# 401625309\). Incorrect Lat/Long on Doc# 401625309.](#)

Corrective Action:

[Operator shall submit:](#)

[Initial F27 for Pit Facility ID 112109. \(NOTE: Document Number 401625309 and supporting Document Numbers 401625309 and 401628354 should be for Pit ID 112109\) with the corrected Lat/Long of Pit ID 112109.](#)

[Supplemental F27 for Pit Facility ID 112108 and Remediation Number 11306, requesting NFA and referencing Sundry Document Number 1941490.](#)

[Supplemental F27 for Pit Facility ID 112109 and Remediation Number to be determined, providing an update of the work performed by Foundation regarding the excavation and analytical results of any soil samples collected from the pit and the land treatment area. \(NOTE: is the land farm part of the remediation and closure of Pit Facility ID 112109 or Spill ID 440877?\).](#)

[Surface owner approval for land treatment.](#)

Date: 11/01/2019

Emission Control Burner (ECB): _____

Comment: _____

Pilot: _____ Wildlife Protection Devices (fired vessels): _____

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: Corrective Action: Date: **Pits:** ☐ NO SURFACE INDICATION OF PIT**Attached Documents**You can go to COGCC Images (<https://cogcc.state.co.us/weblink/>) and search by document number:

Document Num	Description	URL
699700024	Gas Leak 20190910	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4939856
699700025	20190910 photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4939857