

**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:

11/18/2019

Submitted Date:

12/02/2019

Document Number:

699700061

FIELD INSPECTION FORMLoc ID 312684 Inspector Name: Heil, John On-Site Inspection ☐ 2A Doc Num: _____**Operator Information:**

OGCC Operator Number: 10112

Name of Operator: FOUNDATION ENERGY MANAGEMENT LLC

Address: 5057 KELLER SPRINGS RD STE 650

City: ADDISON State: TX Zip: 75001

Status Summary:☐ THIS IS A FOLLOW UP INSPECTION☒ FOLLOW UP INSPECTION REQUIRED☐ NO FOLLOW UP INSPECTION REQUIRED**Findings:**

4 Number of Comments

3 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 |
|---------------|-------|---------------------------------|---------|
| Beard, Alyssa | | regulatory@foundationenergy.com | |
| Fischer, Alex | | alex.fischer@state.co.us | |

Inspected Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status |
|-------------|------|--------|-------------|------------|-----------|------------------|-------------|
| 266661 | WELL | PR | 10/10/2003 | GW | 077-08783 | HUNTER CANYON 12 | EI |

General Comment:

On November 18, 2019, COGCC Environmental Staff (John Heil) conducted an environmental field inspection of FOUNDATION ENERGY MANAGEMENT LLC (Foundation, operator# 10112) Foundation Hunter Canyon #12 Location ID 312684. Weather was sunny and temperatures about 65 degrees Fahrenheit.

LocationOverall Good: ☐

| | | | |
|----------------------|--|-------|------------|
| Signs/Marker: | | | |
| Type | TANK LABELS/PLACARDS | | |
| Comment: | Sign not legible on 225 gallon methanol plastic AST. | | |
| Corrective Action: | Install sign to comply with Rule 210.e. | Date: | 01/02/2020 |

| | | | |
|---------------------------|--|--|-------------|
| Emergency Contact Number: | | | |
| Comment: | | | |
| Corrective Action: | | | Date: _____ |

| | | | |
|---------------------------|--|-------|------------|
| Good Housekeeping: | | | |
| Type | UNUSED EQUIPMENT | | |
| Comment: | Flow line risers not LO/TO or marked are considered unused equipment (1-inch riser located south of the horizontal separator). | | |
| Corrective Action: | Comply with Rule 603.f, for unused, unmarked flow line risers 24 hrs. to lock out tag out. 30 days to remove riser. | Date: | 12/03/2019 |

Overall Good: ☐

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

In Containment: No

Comment: ☐ Multiple Spills and Releases?

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

| | | | |
|--------------------|--|-------|--|
| Flaring: | | | |
| Type | | | |
| Comment: | | | |
| 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: Corrective Action: Date: **Pits:** ☐ NO SURFACE INDICATION OF PITType: Produced WaterLined: NOPit ID: Lat: 39.322178Long: -108.576250Reference Point: Other: Length: Width: **Lining:**Liner Type: OtherLiner Condition: Comment:

No pit permit on file for the produced water pit located on the north side of the well pad. Impacted and moist soil was observed on the sidewalls and bottom of the pit.

Corrective Action

Submit an eForm 15 Pit Report to update COGCC records with current information to comply with rule 903.a or Submit an eForm 27 to close the pit and comply with rule 909.c. 15 days (12/17/2019) to submit eForm 15 or 60 days to submit an eForm 27 (2/2/2020).

Date: 12/17/2019**Fencing:**Fencing Type: Fencing Condition: Comment: Corrective Action Date: **Netting:**Netting Type: Netting Condition: Comment: Corrective Action Date: Anchor Trench Present: Oil Accumulation: 2+ feet Freeboard: 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 |
|--------------|-----------------|---|
| 699700064 | 20191118 photos | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5001461 |