

**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:

05/11/2020

Submitted Date:

05/12/2020

Document Number:

696301808**FIELD INSPECTION FORM**Loc ID 332096 Inspector Name: PETRIE, ERICA 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:**11 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 |
|--------------|-------|---------------------------------|---------------------------------|
| , | | regulatory@foundationenergy.com | All Inspections |
| Koehler, Bob | | bob.koehler@state.co.us | |

Inspected Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status |
|-------------|------|--------|-------------|------------|-----------|---------------|-------------|
| 270091 | WELL | SI | 05/01/2017 | OW | 123-21830 | BEHRING 23-7 | SI |

General Comment:

This is a UIC WELL Inspection.
 Well(s): 1 UIC well: SI | IJ. Gas injection.
 Facility / Battery: Active Operation.
 Annual UIC inspection.

LocationOverall Good: ☒

| | | | |
|----------------------|----------------------|-------|--|
| Signs/Marker: | | | |
| Type | TANK LABELS/PLACARDS | | |
| Comment: | Adequate | | |
| Corrective Action: | | Date: | |
| Type | WELLHEAD | | |
| Comment: | Adequate | | |
| Corrective Action: | | Date: | |
| Type | BATTERY | | |
| Comment: | Adequate | | |
| Corrective Action: | | Date: | |

Emergency Contact Number:

Comment:

Corrective Action:

Date: _____

Good Housekeeping:

| | | | |
|--------------------|--|-------|------------|
| Type | OTHER | | |
| Comment: | Stained Soil at West Crude Oil tank Loadline, see photos | | |
| Corrective Action: | For localized stained soils or oily waste - "Properly dispose of oily waste in accordance with 907.e." | Date: | 06/15/2020 |

Overall Good: ☐

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

In Containment: No

Comment:

☐ Multiple Spills and Releases?

| | | | |
|-------------------------------|----------------------------------|-------|-----------------|
| Equipment: | | | corrective date |
| Type: Vertical Heater Treater | # 1 | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type: Bradenhead | # 1 | | |
| Comment: | Appears to be plumbed to surface | | |
| Corrective Action: | | Date: | |
| Type: Vertical Separator | # 1 | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type: Bird Protectors | # 1 | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type: Gas Meter Run | # 2 | | |

| | | | |
|--------------------------|--|-------|--|
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type: Deadman # & Marked | # 4 | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type: Other | # 1 | | |
| Comment: | Wellhead: w/Master, casing valves, & injection line. | | |
| Corrective Action: | | Date: | |
| Type: Compressor | # 1 | | |
| Comment: | | | |
| Corrective Action: | | Date: | |

Tanks and Berms:

| | | | | | | |
|--------------------|---|----------|-----------|---------|-----------------------|-------|
| Contents | # | Capacity | Type | Tank ID | SE GPS | |
| CRUDE OIL | 2 | 300 BBLs | STEEL AST | | 40.480720,-104.173510 | |
| 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: | | | | | |
| Corrective Action: | | | | | Date: |

Venting:

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

Flaring:

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

Inspected FacilitiesFacility ID: 270091 Type: WELL API Number: 123-21830 Status: SI Insp. Status: SI**Underground Injection Control**UIC Violation: _____ Maximum Injection Pressure: 3801UIC Routine

Inj./Tube: Pressure or inches of Hg 130 Previous Test Pressure _____ MPP _____
 (e.g. 30 psig or -30" Hg) Inj Zone: DSND

TC: Pressure or inches of Hg 0 Previous Test Pressure _____ Last MIT: 04/04/2018

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

Comment: Annual UIC inspection.
 Injection compressor injecting at time of inspection.
 Tbg. Press: 130#
 Csg. Press: 0#
 Unable to document Bradenhead pressure.
 Did NOT have pressure gauge.
 Last MIT: 04/04/2018.
 MAIP: 3801# Gas injection.

Corrective Action: _____ Date: _____

Method of Injection: PUMP FEED

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

Insp. Status: _____

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 |
|------------------|-----------------|-------------------------|-----------------------|---------------|--------------------------|---------|
| Gravel | | Gravel | | | | |

Comment:

Corrective Action:

Date: _____

Pits: ☐ NO SURFACE INDICATION OF PITType: Produced WaterLined: NO

Pit ID:

Lat: 40.480770Long: -104.172941Reference Point: SE

Other: _____

Length: 20Width: 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:

Corrective Action

Date:

Anchor Trench Present:

Oil Accumulation: NO2+ feet Freeboard: YESComment: Produced water pit with adjacent fiberglass skim tank (50 Bbls).

Corrective Action

Date:

| Permit: | Facility ID | Permit Num | Expiration Date |
|---------|-------------|------------|-----------------|
| | 274753 | 1175390 | |

COGCC Comments

| Comment | User | Date |
|---|--------|------------|
| <u>Routine Annual UIC Field Inspection. Stained Soil at West Crude Oil Tank Loadline.</u> | petrie | 05/12/2020 |

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

| Document Num | Description | URL |
|--------------|-------------|---|
| 696301809 | Photos | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5147616 |