

**FORM  
INSP**Rev  
05/11**State of Colorado  
Oil and Gas Conservation Commission**1120 Lincoln Street, Suite 801, Denver, Colorado 80203  
Phone: (303) 894-2100 Fax: (303) 894-2109

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Inspection Date:  
07/29/2015Document Number:  
671104510

Overall Inspection:

**ACTION REQUIRED****FIELD INSPECTION FORM**

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	270731	332177	MONTOYA, JOHN	<input type="checkbox"/>	

**Operator Information:**OGCC Operator Number: 10112Name of Operator: FOUNDATION ENERGY MANAGEMENT LLCAddress: 16000 DALLAS PARKWAY #875City: DALLAS State: TX Zip: 75248-

- ☐ THIS IS A FOLLOW UP INSPECTION
- ☒ FOLLOW UP INSPECTION REQUIRED
- ☐ NO FOLLOW UP INSPECTION REQUIRED
- ☒ INSPECTOR REQUESTS FORM 42 WHEN CORRECTIVE ACTIONS ARE COMPLETED

**Contact Information:**

Contact Name	Phone	Email	Comment
Burtin, Ray	303-502-0603	rburtin@foundationenergy.com	foreman
Grant, Rachel	918-585-1650 ext 212	rgrant@foundationenergy.com	

**Compliance Summary:**QtrQtr: NWNE Sec: 24 Twp: 1N Range: 64W

Insp. Date	Doc Num	Insp. Type	Insp Status	Satisfactory /Action Required	PA P/F/I	Pas/Fail (P/F)	Violation (Y/N)
11/22/2005	200080603	PR	PR	<b>ACTION REQUIRED</b>		<b>Fail</b>	No
06/08/2005	200072246	PR	PR	SATISFACTORY		Pass	No

**Inspector Comment:****Related Facilities:**

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status	
270731	WELL	PR	02/11/2008	OW	123-21935	GILLYIN 1	PR	<input checked="" type="checkbox"/>

**Equipment:**Location Inventory

Special Purpose Pits: _____	Drilling Pits: _____	Wells: _____	Production Pits: _____
Condensate Tanks: _____	Water Tanks: _____	Separators: _____	Electric Motors: _____
Gas or Diesel Motors: _____	Cavity Pumps: _____	LACT Unit: _____	Pump Jacks: _____
Electric Generators: _____	Gas Pipeline: _____	Oil Pipeline: _____	Water Pipeline: _____
Gas Compressors: _____	VOC Combustor: _____	Oil Tanks: _____	Dehydrator Units: _____
Multi-Well Pits: _____	Pigging Station: _____	Flare: _____	Fuel Tanks: _____

**Location**

<b>Signs/Marker:</b>				
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
WELLHEAD	SATISFACTORY	SE CORNERN 40.02540W- 104.29789		
TANK LABELS/PLACARDS	SATISFACTORY			
BATTERY	SATISFACTORY			

Emergency Contact Number (S/A/V): SATISFACTORY

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

Comment: \_\_\_\_\_

Corrective Action: \_\_\_\_\_

<b>Spills:</b>				
Type	Area	Volume	Corrective action	CA Date
Crude Oil	WELLHEAD	<= 5 bbls	SOILED DIRT AROUND WELLHEAD	08/31/2015
Crude Oil	Truck Loadout	<= 5 bbls	TRUCK LOAD OUT VALVES HAVE SOILED DIRT UNDER VALVES	08/31/2015

☐ Multiple Spills and Releases?

<b>Equipment:</b>					
Type	#	Satisfactory/Action Required	Comment	Corrective Action	CA Date
Emission Control Device	1	SATISFACTORY	SE CORNERN40.02628 W-104.29795		
Plunger Lift	1	SATISFACTORY			
Horizontal Heated Separator	1	SATISFACTORY	SE CPORNERN 40.02628W- 104.29795		
Bird Protectors	1	SATISFACTORY	SE CORNERN40.02628 W-104.29795		

<b>Facilities:</b>					
<input type="checkbox"/> New Tank		Tank ID: _____			
Contents	#	Capacity	Type	SE GPS	
PRODUCED WATER	1	<100 BBLS	STEEL AST	,	
S/A/V:	SATISFACTORY		Comment:		
Corrective Action:				Corrective Date:	

<b>Paint</b>	
Condition	Adequate
Other (Content)	_____
Other (Capacity)	_____
Other (Type)	_____

<b>Berms</b>				
Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Earth	Adequate	Walls Sufficient	Base Sufficient	Adequate

Inspector Name: MONTOYA, JOHN

Corrective Action					Corrective Date	
Comment						
<b>Facilities:</b> <input type="checkbox"/> New Tank      Tank ID: _____						
Contents	#	Capacity	Type	SE GPS		
CRUDE OIL	2	300 BBLS	STEEL AST	30.026310,-104.298030		
S/A/V:	ACTION REQUIRED		Comment:	PROD TSNKD BYU ROADWAY NEED PAINTED		
Corrective Action:	PAINT BOTH PROD TANKS				Corrective Date:	08/31/2015
<u>Paint</u>						
Condition	Inadequate					
Other (Content) _____						
Other (Capacity) _____						
Other (Type) _____						
<u>Berms</u>						
Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance		
Earth	Adequate	Walls Sufficient	Base Sufficient	Adequate		
Corrective Action					Corrective Date	
Comment						
<u>Venting:</u>						
Yes/No	Comment					
NO						
<u>Flaring:</u>						
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date		
Ignitor/Combustor	SATISFACTORY					

**Predrill**

Location ID: 270731

**Site Preparation:**

Lease Road Adeq.: \_\_\_\_\_ Pads: \_\_\_\_\_ Soil Stockpile: \_\_\_\_\_

**S/A/V:** \_\_\_\_\_

Corrective Action: \_\_\_\_\_ Date: \_\_\_\_\_ CDP Num.: \_\_\_\_\_

**Form 2A COAs:****S/A/V:** \_\_\_\_\_ **Comment:** \_\_\_\_\_**CA:** \_\_\_\_\_ **Date:** \_\_\_\_\_**Wildlife BMPs:****S/A/V:** \_\_\_\_\_ **Comment:** \_\_\_\_\_**CA:** \_\_\_\_\_ **Date:** \_\_\_\_\_**Stormwater:****Comment:** \_\_\_\_\_**Staking:****On Site Inspection (305):**Surface Owner Contact Information:

Name: \_\_\_\_\_ Address: \_\_\_\_\_

Phone Number: \_\_\_\_\_ Cell Phone: \_\_\_\_\_

Operator Rep. Contact Information:

Landman Name: \_\_\_\_\_ Phone Number: \_\_\_\_\_

Date Onsite Request Received: \_\_\_\_\_ Date of Rule 306 Consultation: \_\_\_\_\_

Request LGD Attendance: \_\_\_\_\_

LGD Contact Information:

Name: \_\_\_\_\_ Phone Number: \_\_\_\_\_ Agreed to Attend: \_\_\_\_\_

Summary of Landowner Issues:Summary of Operator Response to Landowner Issues:Onsite Inspection Memorandum Summarizing Discussions at Inspection as Attachment:**Facility**

Facility ID: 270731 Type: WELL API Number: 123-21935 Status: PR Insp. Status: PR

**Producing Well**

Comment: PR

**Environmental****Spills/Releases:**

Type of Spill: \_\_\_\_\_ Description: \_\_\_\_\_ Estimated Spill Volume: \_\_\_\_\_

Comment: \_\_\_\_\_

Corrective Action: \_\_\_\_\_ Date: \_\_\_\_\_

Reportable: \_\_\_\_\_ GPS: Lat \_\_\_\_\_ Long \_\_\_\_\_

Proximity to Surface Water: \_\_\_\_\_

Depth to Ground Water: \_\_\_\_\_

**Water Well:**

DWR Receipt Num: \_\_\_\_\_ Owner Name: \_\_\_\_\_ GPS : \_\_\_\_\_ Lat \_\_\_\_\_ Long \_\_\_\_\_

**Field Parameters:**

Sample Location: \_\_\_\_\_

Emission Control Burner (ECB): \_\_\_\_\_

Comment: \_\_\_\_\_

Pilot: \_\_\_\_\_ Wildlife Protection Devices (fired vessels): \_\_\_\_\_

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

Date Interim Reclamation Started: \_\_\_\_\_ Date Interim Reclamation Completed: \_\_\_\_\_

Land Use: \_\_\_\_\_

Comment: \_\_\_\_\_

1003a. Debris removed? Pass CM \_\_\_\_\_  
 CA \_\_\_\_\_ CA Date \_\_\_\_\_  
 Waste Material Onsite? Pass CM \_\_\_\_\_  
 CA \_\_\_\_\_ CA Date \_\_\_\_\_  
 Unused or unneeded equipment onsite? Pass CM \_\_\_\_\_  
 CA \_\_\_\_\_ CA Date \_\_\_\_\_  
 Pit, cellars, rat holes and other bores closed? Pass CM \_\_\_\_\_  
 CA \_\_\_\_\_ CA Date \_\_\_\_\_  
 Guy line anchors removed? Pass CM \_\_\_\_\_  
 CA \_\_\_\_\_ CA Date \_\_\_\_\_  
 Guy line anchors marked? \_\_\_\_\_ CM \_\_\_\_\_  
 CA \_\_\_\_\_ CA Date \_\_\_\_\_

1003b. Area no longer in use? \_\_\_\_\_ Production areas stabilized ? Pass

1003c. Compacted areas have been cross ripped? \_\_\_\_\_

1003d. Drilling pit closed? Pass Subsidence over on drill pit? Pass

Cuttings management: \_\_\_\_\_

1003e. Areas no longer needed for drilling or subsequent operations for have been re-vegetated to 80% of pre-existing? \_\_\_\_\_

Production areas have been stabilized? \_\_\_\_\_ Segregated soils have been replaced? \_\_\_\_\_

**RESTORATION AND REVEGETATION**Cropland

Top soil replaced \_\_\_\_\_ Recontoured \_\_\_\_\_ Perennial forage re-established \_\_\_\_\_

Non-Cropland

Top soil replaced \_\_\_\_\_ Recontoured \_\_\_\_\_ 80% Revegetation \_\_\_\_\_

1003 f. Weeds Noxious weeds? \_\_\_\_\_

Inspector Name: MONTOYA, JOHN

Comment:

Overall Interim Reclamation

**Final Reclamation/ Abandoned Location:**

Date Final Reclamation Started:

Date Final Reclamation Completed:

Final Land Use:

Reminder:

Comment:

Well plugged

Pit mouse/rat holes, cellars backfilled

Debris removed

No disturbance /Location never built

Access Roads Regraded

Contoured

Culverts removed

Gravel removed

Location and associated production facilities reclaimed

Locations, facilities, roads, recontoured

Compaction alleviation

Dust and erosion control

Non cropland: Revegetated 80%

Cropland: perennial forage

Weeds present

Subsidence

Comment:

Corrective Action:

Date

Overall Final Reclamation

Well Release on Active Location ☐

Multi-Well Location ☐

**Storm Water:**

Loc Erosion BMPs	BMP Maintenance	Lease Road Erosion BMPs	Lease BMP Maintenance	Chemical BMPs	Chemical BMP Maintenance	Comment
Gravel	Pass	Gravel	Pass			

S/A/V: SATISFACTOR  
Y

Corrective Date:

Comment:

CA:

**Pits:** ☐ NO SURFACE INDICATION OF PIT

**COGCC Comments**

Comment	User	Date
INTERMITTER CONTROLLER ON WELLHEAD	montoyaj	07/29/2015

**Attached Documents**

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

Document Num	Description	URL
671104511	WELL SIGN	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3653167">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3653167</a>
671104512	SOILED DIRT AT WELLHEAD AND REMOVE 55 GAL DRUMS	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3653168">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3653168</a>
671104513	BATTERY SIGN	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3653169">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3653169</a>
671104514	EAST PROD TANK SOILED DIRT BY VALVE	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3653170">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3653170</a>

671104515	WEST PROD TANK SOILED DIRT BY VALVE	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3653171">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3653171</a>

## **ACTION REQUIRED**

**ANY ACTION REQUIRED** items listed on this report indicate that the oil and gas facility or the oil and gas operations listed on the report may be in violation of the rules and regulations of the Colorado Oil and Conservation Commission (“COGCC”) and corrective action is required.

There is reasonable cause to believe that a violation of the Oil and Gas Conservation Act, or of any rule, regulation, or order of the Commission, or of any permit issued by the Commission, has occurred. The Operator’s compliance with this Inspection Report is required to resolve these alleged violations. This document requires the Operator to timely respond to the COGCC and to comply with directives as listed by the **Corrective Action Deadline Date**. Failure to do so will result in the issuance of a Notice of Alleged Violation and initiation of enforcement proceedings in which COGCC will seek monetary penalties for the alleged violations pursuant to § 34-60-121, C.R.S. and Rule 523, COGCC Rules of Practice and Procedure, 2 CCR 404-1. (Please note that the COGCC's penalty authority was recently increased to a maximum of \$15,000 per day and penalties are no longer capped at a maximum of \$10,000 per violation.)