

<b>FORM INSP</b> <small>Rev 05/11</small>	<b>State of Colorado</b>				DE	ET	OE	ES
	<b>Oil and Gas Conservation Commission</b>				Inspection Date: <u>03/20/2012</u>			
<small>1120 Lincoln Street, Suite 801, Denver, Colorado 80205 Phone: (303) 894-2100 Fax: (303) 894-2109</small>								

**FIELD INSPECTION FORM**

Location Identifier	Facility ID	Loc ID	Tracking Type	Inspector Name: <u>BROWNING, CHUCK</u>
	<u>222080</u>	<u>312646</u>		

Document Number:  
668400043

Overall Inspection:  
**Unsatisfactory**

**Operator Information:**

OGCC Operator Number: 53255 Name of Operator: MARALEX RESOURCES, INC

Address: P O BOX 338

City: IGNACIO State: CO Zip: 81137

**Contact Information:**

Contact Name	Phone	Email	Comment
Browning, Chuck	970-433-4139	chuck.browning@state.co.us	Field Inspector
Graves, Jim	970-858-8550	mrinc20@qwestofficenet	Operations Manager
Baker, Debbie	970-563-4000	dbaker@maralexinc.com	

**Compliance Summary:**

QtrQtr: NENE Sec: 10 Twp: 9S Range: 98W

Insp. Date	Doc Num	Insp. Type	Insp Status	Satisfactory /Unsatisfactory	PA P/F/I	Pas/Fail (P/F)	Violation (Y/N)
04/26/2004	200053747	PR	PR	U		P	N

**Inspector Comment:**

See NOAV Doc# 200344201

**Related Facilities:**

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	
112437	PIT		09/23/1999		-	SULFUR GULCH 9-98-10 1	<input type="checkbox"/>
222080	WELL	PR	02/08/1995		077-08682	SULFUR GULCH 9-98-10 #1	<input checked="" type="checkbox"/>
312646	LOCATION	AC	04/14/2009		-	SULFUR GULCH 9-98-10-69S98W 10NENE	<input type="checkbox"/>

**Equipment:**

Location Inventory

Special Purpose Pits: _____	Drilling Pits: _____	Wells: _____	Production Pits: _____
Condensate Tanks: _____	Water Tanks: _____	Separators: _____	Electric Motors: _____
Gas or Diesel Mortors: _____	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**

**Signs/Marker:**

Type	Satisfactory/Unsatisfactory	Comment	Corrective Action	CA Date
WELLHEAD	Unsatisfactory		Install sign to comply with rule 210.b.	<b>06/30/2012</b>

TANK LABELS/PLACARDS	Unsatisfactory	Install sign to comply with rule 210.b.	06/30/2012
----------------------	----------------	---	------------

Emergency Contact Number: (S/U/V) Unsatisfactory Corrective Date: 06/30/2012

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

Corrective Action: Install sign to comply with rule 210.b.

<b>Good Housekeeping:</b>				
Type	Satisfactory/Unsatisfactory	Comment	Corrective Action	CA Date
WEEDS	Unsatisfactory		Comply with rule 603.j & 1003.f.	06/30/2012

<b>Spills:</b>				
Type	Area	Volume	Corrective action	CA Date
<input type="checkbox"/> Multiple Spills and Releases?				

<b>Fencing/:</b>				
Type	Satisfactory/Unsatisfactory	Comment	Corrective Action	CA Date
PIT	Satisfactory			

<b>Equipment:</b>					
Type	#	Satisfactory/Unsatisfactory	Comment	Corrective Action	CA Date
Dehydrator	1	Unsatisfactory	weeds	Comply with rules 603.j & 1003.f	06/30/2012
Pump Jack	1	Unsatisfactory	weeds	Comply with rules 603.j & 1003.f	06/30/2012
Horizontal Heated Separator	1	Unsatisfactory	weeds	Comply with rules 603.j & 1003.f	06/30/2012

**Tanks/Berms:**  New Tank Tank ID: \_\_\_\_\_

Contents	#	Capacity	Type	SE GPS
PRODUCED WATER	2	300 BBLS	STEEL AST	,

S/U/V: Unsatisfactory Comment: \_\_\_\_\_

Corrective Action: Comply with rules 210 Corrective Date: 06/30/2012

**Paint**

Condition Adequate

Other (Content) \_\_\_\_\_

Other (Capacity) \_\_\_\_\_

Other (Type) \_\_\_\_\_

<b>Berms</b>				
Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Earth	Inadequate	Walls Insufficient	Base Insufficient	Inadequate

Corrective Action Comply with rules 604.a.(4) Corrective Date 06/30/2012

Comment \_\_\_\_\_

<b>Venting:</b>	
Yes/No	Comment
NO	

<b>Flaring:</b>				
Type	Satisfactory/Unsatisfactory	Comment	Corrective Action	CA Date

**Predrill**

Location ID: 312646

**Site Preparation:**

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

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

**Form 2A COAs:**

**Wildlife BMPs:**

**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:

\_\_\_\_\_

**Well**

Facility ID: 222080 API Number: 077-08682 Status: PR Insp. Status: SI

**Idle Well**

Purpose:  Shut In  Temporarily Abandoned Reminder: \_\_\_\_\_

S/V: \_\_\_\_\_ CA Date: 06/30/2012

CA: Well must be either: 1) Put on production or 2) Per COGCC Rule 326.b.(1) a mechanical integrity test shall be performed on each shut-in well within two (2) years of the initial shut-in date or 3) Be properly plugged and abandoned. Shut-in and temporarily abandoned wells must be properly reported on COGCC Form 7, Operator's Monthly Production Report.

Comment: Well has been shut in since 2009.

**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:** \_\_\_\_\_ Lat \_\_\_\_\_ Long \_\_\_\_\_

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

**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? \_\_\_\_\_ CM \_\_\_\_\_

CA \_\_\_\_\_ CA Date \_\_\_\_\_

Guy line anchors marked? Pass CM \_\_\_\_\_

CA \_\_\_\_\_ CA Date \_\_\_\_\_

1003b. Area no longer in use? Pass 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 Fail

1003 f. Weeds Noxious weeds? F

Comment:

Overall Interim Reclamation Fail

**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

**Storm Water:**

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

S/U/V: Satisfactory Corrective Date: \_\_\_\_\_

Comment:

CA:

**Pits:**

Pit Type: Blowdown Lined: NO Pit ID: \_\_\_\_\_ Lat: \_\_\_\_\_ Long: \_\_\_\_\_

**Lining:**

Liner Type: \_\_\_\_\_ Liner Condition: \_\_\_\_\_

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

**Fencing:**

Fencing Type: Safety Fencing Condition: Adequate

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

**Netting:**

Netting Type: \_\_\_\_\_ Netting Condition: \_\_\_\_\_

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

Anchor Trench Present: \_\_\_\_\_ Oil Accumulation: \_\_\_\_\_ 2+ feet Freeboard: \_\_\_\_\_

Pit (S/U/V): \_\_\_\_\_ Comment:

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