

Inspector Name: LEONARD, MIKE

**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:

07/18/2012

Document Number:

668200075

Overall Inspection:

Violation**FIELD INSPECTION FORM**

Location Identifier	Facility ID	Loc ID	Tracking Type	Inspector Name: LEONARD, MIKE
	429650	333566		

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
O'Hare, Mickey	(970) 563-4000/ (719) 429-3529	amohare@maralexinc.com	President
Reid, Christie	(970) 563-4000	creid@maralexinc.com	Engineer

Compliance Summary:

QtrQtr: _____ Sec: _____ Twp: _____ Range: _____

Inspector Comment:**Related Facilities:**

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	
214932	WELL	PR	11/01/2007	GW	067-06537	SHELHAMMER 1	<input type="checkbox"/>
429650	GAS COMPRESSOR	AC	07/23/2012		-	SHELHAMMER COMPRESSOR	<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**Signs/Marker:**

Type	Satisfactory/Unsatisfactory	Comment	Corrective Action	CA Date
TANK LABELS/PLACARDS	Violation	NO LABELS ON TANKS OR CONTAINERS	Install sign to comply with rule 210.b.	08/31/2012

Emergency Contact Number: (S/U/V) Satisfactory

Corrective Date: _____

Comment: _____

Corrective Action: _____

Good Housekeeping:				
Type	Satisfactory/Unsatisfactory	Comment	Corrective Action	CA Date
TRASH	Violation	OILFILTERS AND DEBRIS ACROSS LOCATION	REMOVE TRASH	08/31/2012
STORAGE OF SUPL	Violation	SEVERAL DRUMS BEING STORED ACROSS LOCATION	REMOVE OR PLACE DRUMS IN PROPER STORAGE FACILITY	08/31/2012

Spills:				
Type	Area	Volume	Corrective action	CA Date
Other		> 5 bbls	SUBMIT SPILL REPORT AND PLAN FROM CLEAN UP TO COGGC ENVIRONMENTAL SPECIALIST FOR REVIEW AT DEHY	08/31/2012
Other	Tank	> 5 bbls	SUBMIT SPILL REPORT AND PLAN FROM CLEAN UP TO COGGC ENVIRONMENTAL SPECIALIST FOR REVIEW AT OPEN TOP VENT TANK	08/31/2012
Lube Oil		> 5 bbls	SUBMIT SPILL REPORT AND PLAN FROM CLEAN UP TO COGGC ENVIRONMENTAL SPECIALIST FOR REVIEW AT COMPRESSOR	08/31/2012
Produced Water	Tank	> 5 bbls	SUBMIT SPILL REPORT AND PLAN FROM CLEAN UP TO COGGC ENVIRONMENTAL SPECIALIST FOR REVIEW AT PRODUCTION TANKS	08/31/2012

☒ Multiple Spills and Releases?

Equipment:					
Type	#	Satisfactory/Unsatisfactory	Comment	Corrective Action	CA Date
Dehydrator	1	Violation	SPILLS AROUND DEHY	REPORT SPILLS AND CLEAN UP AS REQUIRED	08/31/2012
Gas Meter Run	1	Satisfactory			

Facilities:		<input type="checkbox"/> New Tank	Tank ID: _____
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Contents	#	Capacity	Type	SE GPS
			COMPRESSOR STATION	37.115300,-107.601460

S/U/V:	Comment:
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Corrective Action:	Corrective Date:
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Paint

Condition	
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Other (Content) _____

Other (Capacity) _____

Other (Type) _____

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance

Corrective Action	Corrective Date
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Comment	
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Facilities:		<input type="checkbox"/> New Tank		Tank ID: _____	
Contents	#	Capacity	Type	SE GPS	
PRODUCED WATER	2	300 BBLS	STEEL AST	,	
S/U/V:	Violation		Comment: ADJACENT TO COMPRESSOR		
Corrective Action:		ERE3PIR LEAKING VALVES AND PAINT AS REQUIRED			Corrective Date:
Paint					
Condition	Inadequate				
Other (Content) _____					
Other (Capacity) _____					
Other (Type) _____					
Berms					
Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance	
Earth	Adequate	Walls Sufficient	Base Sufficient	Adequate	
Corrective Action					Corrective Date
Comment					
Venting:					
Yes/No		Comment			
Flaring:					
Type	Satisfactory/Unsatisfactory	Comment	Corrective Action	CA Date	

Predrill

Location ID: 333566

Site Preparation:

Lease Road Adeq.: _____

Pads: _____

Soil Stockpile: _____

Corrective Action: _____

Date: _____ CDP Num.: _____

Form 2A COAs:**Comment:****CA:****Date:****Wildlife BMPs:****Comment:****CA:****Date:****Stormwater:**

Erosion BMPs

Present

Other BMPs

Present

Corrective Action: _____ Date: _____

Comments: Erosion BMPs: _____

Other BMPs: _____

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: 429650 Type: GAS API Number: - Status: AC Insp. Status: AC

Environmental**Spills/Releases:**

Type of Spill: _____ Description: _____ Estimated Spill Volume: _____

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Comment: <input style="width: 700px;" type="text"/>			
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:			
<input style="width: 300px;" type="text"/>			
Sample Location: <input style="width: 400px;" type="text"/>			
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: <input style="width: 750px;" type="text"/>			
1003a.	Debris removed? <u>Pass</u> CM _____		
	CA _____	CA Date _____	
	Waste Material Onsite? <u>Fail</u> CM _____		
	CA CLEAN UP TRASH	CA Date 08/31/2012	
	Unused or unneeded equipment onsite? <u>Pass</u> CM _____		
	CA _____	CA Date _____	
	Pit, cellars, rat holes and other bores closed? <u>Pass</u> CM _____		
	CA _____	CA Date _____	
	Guy line anchors removed? <u>Pass</u> CM _____		
	CA _____	CA Date _____	
	Guy line anchors marked? _____ CM _____		
	CA _____	CA Date _____	
1003b.	Area no longer in use? <u>Fail</u>		Production areas stabilized ? <u>Fail</u>
1003c.	Compacted areas have been cross ripped? _____		
1003d.	Drilling pit closed? _____		Subsidence over on drill pit? _____
	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			
<u>Cropland</u>			
	Top soil replaced _____	Recontoured _____	Perennial forage re-established _____

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Non-Cropland

Top soil replaced _____

Recontoured _____

80% Revegetation _____ Fail

1003 f. Weeds Noxious weeds? _____

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 _____ Multi-Well Location ☐

Storm Water:

Loc Erosion BMPs	BMP Maintenance	Lease Road Erosion BMPs	Lease BMP Maintenance	Chemical BMPs	Chemical BMP Maintenance	Comment
Compaction	Pass	Compaction	Pass	MHSP	Fail	

S/U/V: **Violation** Corrective Date: **08/31/2012**

Comment: **DRUMS NOT STORED CORRECTLY. SPILL BASIN UNDER LUBE OIL TANK HAS OIL RESIDFUE IN IT WITH NO WILDLIFE PROTECTION**

CA: **INASTALL BMP'S TO PREVENT SITE DEGRADATION FROM POTENTIAL SPILLS AND RELEASES**