

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				DE	ET	OE	ES
	Inspection Date: <u>08/05/2013</u>							

Location Identifier	Facility ID <u>210534</u>	Loc ID <u>322451</u>	Inspector Name: <u>BURGER, CRAIG</u>	On-Site Inspection <input type="checkbox"/>	2A Doc Num: _____
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Document Number:
670200729
 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
Azulai, Naomi	970-563-4000	naomi@maralexinc.com	Production Technician
LUJAN, CARLOS		carlos.lujan@state.co.us	
Kellerby, Shaun		Shaun.Kellerby@state.co.us	NW Field Supervisor

Compliance Summary:

QtrQtr: SENW Sec: 25 Twp: 7S Range: 91W

Insp. Date	Doc Num	Insp. Type	Insp Status	Satisfactory /Unsatisfactory	PA P/F/I	Pas/Fail (P/F)	Violation (Y/N)
01/18/2013	670200028	PR	PR	U			N
05/17/2012	663100045	PR	SI	U			N
06/25/2010	200257868	PR	PR	U			Y
04/29/2006	200094269	ID	SI	U		F	N
10/29/1998	500142090	PR	PR			P	N
11/23/1994	500142089	PR	SI			P	N

Inspector Comment:

Provide inspector a schedule for performing the corrective actions required. Submit a Form 42 when corrective actions are complete. Pit referenced in previous inspections may have been filled.

Related Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	
210534	WELL	PR	12/21/1996	GW	045-06290	RIFLE WALTON 25-2	<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 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
BATTERY	Unsatisfactory	No sign or label on tank.	Install sign to comply with rule 210.d.	09/19/2013
WELLHEAD	Unsatisfactory	No sign on wellhead.	Install sign to comply with rule 210.d.	09/19/2013

Emergency Contact Number: (S/U/V) Unsatisfactory Corrective Date: 08/19/2013

Comment: Number not legible.

Corrective Action: Provide adequate sign.

Good Housekeeping:				
Type	Satisfactory/Unsatisfactory	Comment	Corrective Action	CA Date
WEEDS	Unsatisfactory	Weeds on location and in tank battery containment.	Manage weeds.	09/19/2013
UNUSED EQUIPMENT	Unsatisfactory	Rusted vertical separator on location.	Remove or maintain equipment.	09/19/2013

Spills:				
Type	Area	Volume	Corrective action	CA Date
PW/CN	Separator		Drip at horizontal separator. No containment provided at separator. Volume leaked unknown. Stop drip and clean up spill. Staff called operator and informed them of the drip.	08/19/2013

Multiple Spills and Releases?

Fencing/:				
Type	Satisfactory/Unsatisfactory	Comment	Corrective Action	CA Date
LOCATION	Satisfactory	barbed wire		

Equipment:					
Type	#	Satisfactory/Unsatisfactory	Comment	Corrective Action	CA Date
Gas Meter Run	1	Satisfactory	Shows zero flow.		
Horizontal Heated Separator		Unsatisfactory	Fluid dripping at piping.	Repair drip and clean up.	08/19/2013
Vertical Separator	1	Unsatisfactory	Unit badly rusted.	Remove or repair unit.	09/19/2013

Facilities:		<input type="checkbox"/> New Tank	Tank ID: _____	
Contents	#	Capacity	Type	SE GPS
PRODUCED WATER	1	<50 BBLS	STEEL AST	39.420120,-107.505230
S/U/V:	Satisfactory		Comment:	Plastic mesh cover.
Corrective Action:				Corrective Date:
<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				

Facilities:		<input type="checkbox"/> New Tank	Tank ID: _____	
Contents	#	Capacity	Type	SE GPS
PRODUCED WATER	1	300 BBLS	STEEL AST	39.419800,-107.504880
S/U/V:	Satisfactory		Comment:	
Corrective Action:				Corrective Date:
<u>Paint</u>				
Condition				
Other (Content)	_____			
Other (Capacity)	_____			
Other (Type)	_____			
<u>Berms</u>				
Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Earth	Inadequate	Walls Insufficient	Base Insufficient	Inadequate
Corrective Action	Maintain berm and build up berm around tank so that it is sufficient to provide secondary containment for one-hundred fifty percent (150%) of the tank volume.			Corrective Date 08/19/2013
Comment	Rodent holes and weeds growing in walls and base.			

Venting:	
Yes/No	Comment
YES	Bradenhead being vented to produced water tank with COGCC approval. BH = 50psi, CP = 295 psi.

Flaring:				
Type	Satisfactory/Unsatisfactory	Comment	Corrective Action	CA Date

Predrill

Location ID: 322451

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: 210534 Type: WELL API Number: 045-06290 Status: PR Insp. Status: SI

Idle Well

Purpose: Shut In Temporarily Abandoned Reminder: _____

S/V: _____ CA Date: **08/30/2013**

CA: **Repair casing wheel valve.**

Comment: **Casing valve hissing gas. Hissing of gas noted on inspection in July 2012.**

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? _____ 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? _____ 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? Pass 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? P

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 _____ Multi-Well Location

Storm Water:

Loc Erosion BMPs	BMP Maintenance	Lease Road Erosion BMPs	Lease BMP Maintenance	Chemical BMPs	Chemical BMP Maintenance	Comment
Seeding	Pass	Compaction	Pass			
Compaction	Pass					

S/U/V: Satisfactory Corrective Date: _____

Comment: _____

CA: _____