

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

FIELD INSPECTION FORM

Location Identifier	Facility ID 210457	Loc ID 322419	Inspector Name: BURGER, CRAIG	On-Site Inspection <input type="checkbox"/>	2A Doc Num: _____
---------------------	-----------------------	------------------	----------------------------------	---	-------------------

Inspection Date:
08/05/2013

Document Number:
670200731

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
Kellerby, Shaun		Shaun.Kellerby@state.co.us	NW Field Supervisor

Compliance Summary:

QtrQtr: NWSW Sec: 26 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)
05/17/2012	663100048	PR	PR	S			N
06/25/2010	200257855	PR	PR	U			Y
11/23/1994	500142034	ID	SI			P	N

Inspector Comment:

Provide inspector a schedule for performing the corrective actions required. Submit a Form 42 when corrective actions are complete.

Related Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	
210457	WELL	PR	12/21/1996	GW	045-06213	FEDERAL 26-3	<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
TANK LABELS/PLACARDS	Satisfactory			
WELLHEAD	Unsatisfactory	No sign on wellhead.	Install sign to comply with rule 210.d.	09/19/2013

BATTERY	Satisfactory			
---------	--------------	--	--	--

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

Comment: Emergency contact number not legible.

Corrective Action: Provide adequate emergency contact number.

Good Housekeeping:

Type	Satisfactory/Unsatisfactory	Comment	Corrective Action	CA Date
WEEDS	Unsatisfactory	Weeds present on location.	Manage weeds.	09/19/2013

Spills:

Type	Area	Volume	Corrective action	CA Date
------	------	--------	-------------------	---------

Multiple Spills and Releases?

Fencing/:

Type	Satisfactory/Unsatisfactory	Comment	Corrective Action	CA Date
TANK BATTERY	Satisfactory	barbed wire		

Equipment:

Type	#	Satisfactory/Unsatisfactory	Comment	Corrective Action	CA Date
Deadman # & Marked	2	Satisfactory			
Vertical Separator	1	Unsatisfactory	Unit badly rusted.	Maintain equipment or remove from location.	09/19/2013
Gathering Line	1	Satisfactory			
Horizontal Heated Separator	1	Unsatisfactory	Unit rusted. No bird protector on stack.	Maintain equipment and provide a bird protector.	08/17/2013

Facilities:

New Tank Tank ID: _____

Contents	#	Capacity	Type	SE GPS
PRODUCED WATER	1	300 BBLS	STEEL AST	39.415080,-107.527310

S/U/V: Satisfactory Comment: _____

Corrective Action: _____ 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 _____

Facilities:		<input type="checkbox"/> New Tank	Tank ID: _____		
Contents	#	Capacity	Type	SE GPS	
PRODUCED WATER	1	<50 BBLS	STEEL AST	39.415380,-107.527760	
S/U/V:	Unsatisfactory		Comment:	Stock tank piped from vertical separator with mesh cover with gaps. Three dead rodents are inside tank.	
Corrective Action:	Provide adequate cover to prevent entry by wildlife.			Corrective Date:	08/19/2013
Paint					
Condition					
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				
YES	Bradenhead being vented to produced water tank with COGCC approval. BH =60psi, CP = 1200 psi, TP = 80 psi (SI).				
Flaring:					
Type	Satisfactory/Unsatisfactory	Comment	Corrective Action	CA Date	

Predrill

Location ID: 322419

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: 210457 Type: WELL API Number: 045-06213 Status: PR Insp. Status: SI

Idle Well

Purpose: Shut In Temporarily Abandoned Reminder: _____

S/V: _____ CA Date: _____

CA: _____

Comment: Well shut in since Aug 2011. Produce well or perform an MIT by Sept 2013.

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): N

Comment: No bird protector on horizontal heated separator stack.

Pilot: _____ Wildlife Protection Devices (fired vessels): VIOLATIO

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? Pass
 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? 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
		Other	Fail			
Seeding	Pass	Ditches	Fail			

S/U/V: Unsatisfactory Corrective Date: 09/19/2013

Comment: Ditches are eroding on main access road. Water bars are present at intervals but are eroding and erosion gulleys are present downgradient of water bars.

CA: Provide and maintain adequate stormwater and erosion controls on access road.