

**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:

03/27/2014

Document Number:

667700306

Overall Inspection:

**Violation****FIELD INSPECTION FORM**

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	290230	333435	LABOWSKIE, STEVE	<input type="checkbox"/>	

**Operator Information:**

OGCC Operator Number:

Name of Operator: MARALEX RESOURCES, INCAddress: P O BOX 338City: IGNACIO State: CO Zip: 81137☐ 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
Azulai, Naomi	(970) 563-4000	naomi@maralexinc.com	All Inspections
O'Hare, Mickey	(970) 563-4000/ (719) 429-3529	amohare@maralexinc.com	President
Hughes, Jim		jimo.hughes@state.co.us	
WEEMS, MARK		mark.weems@state.co.us	
ANDREWS, DAVID		david.andrews@state.co.us	
FISCHER, ALEX		alex.fischer@state.co.us	
ASH, MARGARET		margaret.ash@state.co.us	

**Compliance Summary:**QtrQtr: NESW Sec: 35 Twp: 34N Range: 7W**Inspector Comment:**

Inspection conducted with COGCC field inspector Joe MacLaren, engineer Marks Weems accompanied by La Plata County Sherrifs Dept in execution of search warrant.

**Related Facilities:**

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status	
267697	WELL	PR	08/10/2003	GW	067-08803	KATIE EILEEN 34-7-35 2A	PR	<input checked="" type="checkbox"/>
290230	WELL	PR	04/17/2007	GW	067-09352	KATIE EILEEN 34-7-35 4	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 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**

<b>Signs/Marker:</b>				
Type	Satisfactory/Unsatisfactory	Comment	Corrective Action	CA Date
WELLHEAD	Unsatisfactory	sign for #4 well still has old operator info	Install sign to comply with rule 210.	05/02/2014

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

Corrective Date:

Comment:

Corrective Action:

<b>Good Housekeeping:</b>				
Type	Satisfactory/Unsatisfactory	Comment	Corrective Action	CA Date
STORAGE OF SUPL	Violation	south end of constructed location used for pipe, casing, equipment, parts storage.	1) Remove equipment, 2) Store unused equipment and surplus supplies at county permitted facility or )3) request 502.b.1 variance	05/02/2014
DEBRIS	Violation	debris, used and junk equipmet, old materials on south end of location.	Remove/dispose of unusable equipment, materials, junk and debris in approved manner.	05/02/2014

<b>Spills:</b>				
Type	Area	Volume	Corrective action	CA Date
Lube Oil		<= 5 bbls	unused equipment leaking oil in junk/storage yard area requires clean up and removal/proper remediation of contaminated soils	05/02/2014
Lube Oil	Pump Jack	<= 5 bbls	clean up impacted soils and dispose in approved manner. Stop/mitigate gear box leak.	04/16/2014

☐ Multiple Spills and Releases?

<b>Equipment:</b>					
Type	#	Satisfactory/Unsatisfactory	Comment	Corrective Action	CA Date
Ancillary equipment	1	Satisfactory	telemetry		
Bird Protectors	2	Satisfactory			
Deadman # & Marked	4	Satisfactory			
Pump Jack	2	Unsatisfactory	gear box leak	fix/mitigate leak on 2A pumping unit	05/02/2014
Ancillary equipment	2	Unsatisfactory	lube oil tanks with no spill prevention	install spill prevention	05/02/2014
Vertical Heated Separator	1	Satisfactory			
Gas Meter Run	2	Satisfactory			
Flow Line	1	Satisfactory			
Prime Mover	2	Satisfactory			
Other	2	Unsatisfactory	bradenhead	expose access (install housing if necessary)	05/02/2014
Horizontal Heated Separator	1	Satisfactory			

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

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

**Predrill**

Location ID: 290230

**Site Preparation:**

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

**S/U/V:** \_\_\_\_\_

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

**Form 2A COAs:****S/U/V:** \_\_\_\_\_ **Comment:** \_\_\_\_\_**CA:** \_\_\_\_\_ **Date:** \_\_\_\_\_**Wildlife BMPs:****S/U/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: 267697 Type: WELL API Number: 067-08803 Status: PR Insp. Status: PR

**Producing Well**

Comment: PR

Facility ID: 290230 Type: WELL API Number: 067-09352 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:**

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: cropland to north, non-cropland to south of location, stream on east side.

1003a. Debris removed? Fail CM south end location

CA remove CA Date 05/02/2014

Waste Material Onsite? Fail CM south end location

CA remove CA Date 05/02/2014

Unused or unneeded equipment onsite? Fail CM south end location

CA remove CA Date 05/02/2014

Pit, cellars, rat holes and other bores closed? Fail CM vertical buried pipe

CA contact COGCC environmental staff CA Date 04/09/2014

Guy line anchors removed? \_\_\_\_\_ CM \_\_\_\_\_

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

Guy line anchors marked? Fail CM several unmarked anchors

CA mark or remove anchors CA Date 05/02/2014

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? Fail

Inspector Name: LABOWSKIE, STEVE

Production areas have been stabilized? Pass

Segregated soils have been replaced? Pass

**RESTORATION AND REVEGETATION**

Cropland

Top soil replaced Pass

Recontoured Pass

Perennial forage re-established In

Non-Cropland

Top soil replaced \_\_\_\_\_

Recontoured \_\_\_\_\_

80% Revegetation \_\_\_\_\_

1003 f. Weeds Noxious weeds? P

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 \_\_\_\_\_

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	MHSP	Fail	
Compaction	Pass	Compaction	Pass	SR	Fail	
Drains	Pass			CM	Fail	

S/U/V: **Violation** Corrective Date: **04/16/2014**

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

CA: **Install stormwater BMPs to prevent sediment and potential contaminants from leaving location and entering waterway. Remove pollutant sources (oily/leaking equipment, stained soils, containers, contaminated pipe/tubulars) or install proper BMPs to prevent site degradation.**

Pits: ☒ NO SURFACE INDICATION OF PIT

**COGCC Comments**

Comment	User	Date
<b>CORRECTIVE ACTION REQUIRED - fix or minimize gearbox leak, clean up impacted soils, install spill prevention on lube oil tanks to prevent site degradation (by May 1, 2014)</b>	labowsks	03/31/2014

<b>CORRECTIVE ACTION REQUIRED-</b> Install stormwater BMPs to prevent sediment and potential contaminants from entering downgradient waterway within 2 weeks (no later than April 16, 2014)	labowsks	03/31/2014
<b>CORRECTIVE ACTION REQUIRED -</b> Provide name of disposal facility(ies) for produced water reported on Form 10. Provide records such as manifest or truck tickets that document transport and disposal of the produced water, within 1 week (no later than April 8, 2014)	labowsks	03/31/2014
<b>CORRECTIVE ACTION REQUIRED -</b> provide documentation regarding purpose, use and regulatory compliance of vertically buried corrugated pipe by April 8, 2014. (Note: closing of this borehole will need to follow 900 series Rules).	labowsks	03/31/2014
<b>CORRECTIVE ACTION -</b> Employ qualified environmental professional or environmental consultant to sample fluid in vertically buried corrugated pipe and water samples (upgradient, sidegradient and downgradient in Ute Creek), collect produced water samples from both wells (#2A & #4) within 1 week (no later than April 8, 2014). Water samples to be tested for: <ul style="list-style-type: none"> <li>• Dissolved Metals (Se) by Method 6020</li> <li>• Fluoride by Method 300.0A</li> <li>• Alkalinity Series (Carbonate, Bicarbonate, Hydroxide, and Total Alkalinity) by Method 2320B</li> <li>• Total Dissolved Solids by Method 2540C</li> <li>• Specific Conductance by Method 2510B</li> <li>• pH by Method E150.1</li> <li>• VOA Headspace List by Method 8260B (*)</li> <li>• BNA Headspace List by Method 8270C (**)</li> <li>• BTEX by Method 8021B</li> <li>• Anions (Cl, Br, NO<sub>2</sub>, NO<sub>3</sub>, o-Phosphate, SO<sub>4</sub>) by Method 300.0 IC</li> <li>• Dissolved Metals (Ca, Fe, Mg, Mn, K, Na) by Method 6010B</li> </ul>	labowsks	04/02/2014

**Attached Documents**

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

Document Num	Description	URL
667700313	culvert material cased borehole	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3313053">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3313053</a>
667700314	gearbox leaks, lube tank no spill prevention	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3313054">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3313054</a>
667700315	buckets with fluid (no spill prevention)	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3313055">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3313055</a>