

**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:

11/07/2014

Document Number:

670201320

Overall Inspection:

ALLEGED VIOLATION**FIELD INSPECTION FORM**

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

Operator Information:OGCC Operator Number: 53255Name 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
Murray, Richard		g.richard.murray@state.co.us	
Hart, Margaret	(970) 563-4000	mhart@maralexinc.com	All Inspections
Andrews, Dave		david.andrews@state.co.us	
Azulai, Naomi	(970) 563-4000	naomi@maralexinc.com	All Inspections
O'Hare, Mickey	(970) 563-4000/ (719) 429-3529	amohare@maralexinc.com	All Inspections

Compliance Summary:QtrQtr: NWSW Sec: 26 Twp: 7S Range: 91W

Insp. Date	Doc Num	Insp. Type	Insp Status	Satisfactory /Action Required	PA P/F/I	Pas/Fail (P/F)	Violation (Y/N)
11/04/2014	666800249	PR	PR	SATISFACTORY			No
08/05/2013	670200731	PR	SI	ACTION REQUIRED			No
05/17/2012	663100048	PR	PR	SATISFACTORY			No
06/25/2010	200257855	PR	PR	ACTION REQUIRED			Yes
11/23/1994	500142034	ID	SI			Pass	No

Inspector Comment:

Alleged violations are failure to provide a bird protector on the separator stack and failure to obtain written approval from the Director on a Form 4 for casing repair operations.

Related Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status	
210457	WELL	PR	12/21/1996	GW	045-06213	FEDERAL 26-3	TA	<input checked="" type="checkbox"/>

Equipment:Location Inventory

Inspector Name: BURGER, CRAIG

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/Action Required	Comment	Corrective Action	CA Date
WELLHEAD	SATISFACTORY	Well sign is on fence around produced water tank.		
TANK LABELS/PLACARDS	SATISFACTORY			

Emergency Contact Number (S/A/V): SATISFACTORY

Corrective Date: _____

Comment: _____

Corrective Action: _____

Good Housekeeping:

Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date

Spills:

Type	Area	Volume	Corrective action	CA Date
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☐ Multiple Spills and Releases?

Fencing/:

Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
TANK BATTERY	SATISFACTORY			

Equipment:

Type	#	Satisfactory/Action Required	Comment	Corrective Action	CA Date
Gas Meter Run	1	SATISFACTORY			
Horizontal Heated Separator	1	ALLEGED VIOLATION	No bird protector on stack. Corrective action date from previous inspection was 8/17/2013.	Provide a bird protector.	11/13/2014
Gathering Line	1	SATISFACTORY	Not connected to flow meter at time of inspection.		

Facilities:

☐ New Tank

Tank ID: _____

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

S/A/V: **ACTION REQUIRED**

Comment: **Produced water level about 3' from top of tank at time of inspection.**

Inspector Name: BURGER, CRAIG

Corrective Action:	Remove produced water prior to winter conditions.	Corrective Date:	11/17/2014
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Paint

Condition	Inadequate
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Other (Content) _____

Other (Capacity) _____

Other (Type) _____

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Earth	Adequate	Walls Insufficient	Base Sufficient	Inadequate

Corrective Action	Repair berm where pipe from bradenhead penetrates the berm.	Corrective Date	11/17/2014
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Comment	Tall grass growing in berm may present a fire hazard.
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<u>Venting:</u>		
Yes/No	Comment	
NO	Bradenhead shut in at time of inspection.	

<u>Flaring:</u>				
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date

Predrill

Location ID: 210457

Site Preparation:

Lease Road Adeq.: _____ Pads: _____ Soil Stockpile: _____

S/A/V: _____

Corrective Action: _____ Date: _____ CDP Num.: _____

Form 2A COAs:**S/A/V:** _____ **Comment:** _____**CA:** _____ **Date:** _____**Wildlife BMPs:****S/A/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: 210457 Type: WELL API Number: 045-06213 Status: PR Insp. Status: TA

Idle WellPurpose: ☐ Shut In ☒ Temporarily Abandoned Reminder: _____S/A/V: _____ CA Date: **11/17/2014**

CA: To comply with commission orders, Operator shall perform a Bradenhead Test and submit the results on a Form 17. Operator shall notify COGCC Engineer Craig Burger by email and Submit an electronic Form 42 at least 2 days prior to beginning monitoring of the bradenhead. During monitoring the bradenhead pressure shall not be allowed to build over 77 psi (threshold set by Form 4 doc #2203005).

Comment: Last produced Aug 2011. A successful MIT was performed 11/4/2014. MIT was required by September 2013. Operator attempted an MIT (scheduled 10/14/2014, Form 42 doc#400701213). On Nov 3, 2014, operator reported to COGCC engineering staff that cement remediation was performed on the well without submitting a Form 4.

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? _____ CM _____

CA _____ CA Date _____

Waste Material Onsite? _____ CM _____

CA _____ CA Date _____

Unused or unneeded equipment onsite? _____ CM _____

CA _____ CA Date _____

Pit, cellars, rat holes and other bores closed? _____ CM _____

CA _____ CA Date _____

Guy line anchors removed? _____ CM _____

CA _____ CA Date _____

Inspector Name: BURGER, CRAIG

Guy line anchors marked? _____ CM _____
CA _____ CA Date _____

1003b. Area no longer in use? _____ Production areas stabilized ? _____

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

Cropland

Top soil replaced _____ Recontoured _____ Perennial forage re-established _____

Non-Cropland

Top soil replaced _____ Recontoured _____ 80% Revegetation _____

1003 f. Weeds Noxious weeds? _____

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 _____ 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
				MHSP	Fail	

Inspector Name: BURGER, CRAIG

S/A/V:	ACTION REQUIRED	Corrective Date:	11/17/2014
Comment:	Appears to be cuttings from drilling out cement left on location from recent workover operation. See attached photos.		
CA:	Clean up waste on location and notify COGCC environmental or inspection staff that work has been performed.		
Pits:	<input type="checkbox"/> NO SURFACE INDICATION OF PIT		

Attached Documents

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

Document Num	Description	URL
670201325	Inspection photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3483086