

State of Colorado
Oil and Gas Conservation Commission

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Document Number:
400687355
Date Issued:
09/15/2014
Date Resolved:
09/09/2015

NOTICE OF ALLEGED VIOLATION - RESOLVED

Per Rule 522, the Director has reasonable cause to believe that a violation of the Act, or of any Commission rule, order, or permit has occurred, the Director will require the operator to remedy the violation and may commence an enforcement action seeking penalties by issuing a Notice of Alleged Violation (NOAV). Per Rule 523, an operator who violates the Act, or a Commission rule, order, or permit may be subject to a penalty imposed by Commission order.

OPERATOR INFORMATION

OGCC Operator Number: 53255
Name of Operator: MARALEX RESOURCES, INC
Address: P O BOX 338
City: IGNACIO State: CO Zip: 81137

Contact Name and Telephone:

Name: Mickey O'Hare
Phone: (970) 563-4000 Fax: ()
Email: amohare@maralexinc.com

Well Location, or Facility Information (if applicable):

API Number: 05-067-08014-00 Facility or Location ID:
Name: KATIE EILEEN 34-7-35 Number: 2
QtrQtr: SWSE Sec: 35 Twp: 34N Range: 7W Meridian: M
County: LA PLATA

ALLEGED VIOLATION

Rule: Order 112-85
Rule10

Rule Description: Braden Head Testing

Initial Discovery Date: 03/31/2010 Was this violation self-reported by the operator? No
Date of Violation: 12/31/2009 Approximate Time of Violation: 12:00
Was this a discrete violation of obvious duration? Yes

Description of Alleged Violation:

The source of commercial gas production from the subject gas well is the Fruitland coal (CBM). Marelex Resources, Inc., The Operator of Record, has not provided the COGCC with a copy of the required Braden Head Test commencing in 2009, 2011, and 2013. Based on the required and historical frequency of testing via the annual NOTICES TO OPERATORS, the subject well is determined to be deficient in the years 2009, 2011, 2013 or a total of three (3) tests.

Abatement or Corrective Action Required to be Performed by Operator: Corrective Action Due Date: 10/20/2014

Proper and timely abatement does not preclude the assessment of penalties and an Order Finding Violation.

The operator is required to provide the COGCC with copies of the Braden Head Tests that were required for the years cited in the alleged violation.

PENALTY

Penalties for violations alleged in this NOAV will be calculated pursuant to Rule 523, with daily penalties accruing pursuant to Section 34-60-121(1), C.R.S.

ANSWER

Pursuant to Rule 522.d.(2), the operator must file an Answer to this NOAV within 28 days of its receipt, or a default judgement may be entered. Hard copy answers are filed with the Commission Secretary at the Commission's Denver office and should also be emailed to dnr_cogccenforcement@ state.co.us.

NOAV ISSUED

NOAV Issue Date: 09/15/2014

COGCC Representativ Signature: _____

COGCC Representative: WEEMS, MARK

Title: Southwest Region Engineer

Email: Mark.Weems@state.co.us

Phone Num: (970) 259-4587

CORRECTIVE ACTION COMPLETED

Rule: Order 112-85

Rule10

Rule Description: Braden Head Testing

Corrective Action Start Date: 10/20/2014

Corrective Action Complete Date: 10/20/2014

Has corrective action for this violation been performed as required? _____

Description of Actual Corrective Action Performed by Operator

Operator to provide Braden Head Tests for the years 2009, 2011, and 2013.

FINAL RESOLUTION

Cause #: 1V

Order #: 509

Docket #: 15050015

8

Enforcement Action: Order Finding Violation

Final Resolution Date: 05/18/2015

Final Resolution Comments:

Resolved by Order 1V-509, entered on May 18, 2015.

ATTACHMENT LIST

View Attachments in Imaged Documents on COGCC website (<http://ogccweblink.state.co.us/>) - Search by Document Number.

<u>Document Number</u>	<u>Description</u>
400687355	NOAV SUBMITTED
400687881	1991 Notice to Operators
400687955	2014 to 2003 Notice to Operators
400687964	1996 Drilling Completion Report
400687967	COGIS Well File Directory
400687968	Scout Card
400687994	Change of Operator
400688341	Issued NOAV

Total Attach: 8 Files