

**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

Inspection Date:

06/13/2016

Document Number:

675102590

Overall Inspection:

ACTION REQUIRED**FIELD INSPECTION FORM**

| | | | | | |
|---------------------|-------------|--------|-----------------|--------------------|--|
| Location Identifier | Facility ID | Loc ID | Inspector Name: | On-Site Inspection | |
| | 230468 | 315241 | GRANAHAN, KYLE | 2A Doc Num: | |

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 |
|-------------------|-----------------------------------|------------------------------|-------------------|
| Graves, Jim | (970) 858-8550 | mrinc20@qwestoffice.net | Operation Manager |
| O'Hare, Mickey | (970) 563-4000/ (719) 429-3529 | amohare@maralexinc.com | All Inspections |
| Ellsworth, Stuart | | stuart.ellsworth@state.co.us | |
| Tahmahkera, Kerry | (970) 563-4000 | maralextech@gmail.com | All Inspections |
| Thompson, Bud | | BLThomps@BLM.gov | |
| Burger, Craig | | craig.burger@state.co.us | |

Compliance Summary:QtrQtr: NWSW Sec: 8 Twp: 4S Range: 101W**Inspector Comment:**Well SI at time of inspection - production records indicate well last produced in June 2009, no MIT on file.**Related Facilities:**

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status | |
|-------------|------|--------|-------------|------------|-----------|--------------------------|-------------|-------------------------------------|
| 109324 | PIT | | 09/23/1999 | | - | TRAIL CANYON 8-4 | | <input checked="" type="checkbox"/> |
| 230468 | WELL | PR | 02/01/1993 | GW | 103-08131 | TRAIL CANYON-FEDERAL 8-4 | SI | <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 Motors: _____ | 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

| | | | | |
|--------------------|------------------------------|---------|-------------------|------|
| Lease Road: | | | | |
| Type | Satisfactory/Action Required | comment | Corrective Action | Date |
| | | | | |

| | | | | |
|----------------------|------------------------------|---------|-------------------|---------|
| Signs/Marker: | | | | |
| Type | Satisfactory/Action Required | Comment | Corrective Action | CA Date |
| WELLHEAD | SATISFACTORY | | | |

Emergency Contact Number (S/AR): SATISFACTORY

Corrective Date: _____

Comment: 970-858-8550

Corrective Action: _____

| | | | | |
|---------------------------|------------------------------|--|---|------------|
| Good Housekeeping: | | | | |
| Type | Satisfactory/Action Required | Comment | Corrective Action | CA Date |
| WEEDS | ACTION REQUIRED | Weeds/brush/grass near/within blow down pit, seperator, gas meter and wellhead | Comply with Rule 603.f using the Rule 603.f guidance document for further details | 06/27/2016 |

| | | | | |
|--|------|--------|-------------------|---------|
| Spills: | | | | |
| Type | Area | Volume | Corrective action | CA Date |
| <input type="checkbox"/> Multiple Spills and Releases? | | | | |

| | | | | |
|------------------|------------------------------|---------|-------------------|---------|
| Fencing/: | | | | |
| Type | Satisfactory/Action Required | Comment | Corrective Action | CA Date |
| | | | | |

| | | | | |
|-----------------------------------|-----|-------------------------------|--------------|-------|
| Equipment: | | | | |
| Type: Deadman # & Marked | # 4 | Satisfactory/Action Required: | SATISFACTORY | |
| Comment | | | | |
| Corrective Action | | | | Date: |
| Type: Horizontal Heated Separator | # 1 | Satisfactory/Action Required: | SATISFACTORY | |
| Comment | | | | |
| Corrective Action | | | | Date: |
| Type: Gas Meter Run | # 1 | Satisfactory/Action Required: | SATISFACTORY | |
| Comment | | | | |
| Corrective Action | | | | Date: |
| Type: Bird Protectors | # 1 | Satisfactory/Action Required: | SATISFACTORY | |
| Comment | | | | |
| Corrective Action | | | | Date: |

| | |
|-----------------|----|
| Venting: | |
| Yes/No | NO |
| Comment | |

Flaring:

| | | |
|--------------------|------------------------------|----------------------|
| Type | Satisfactory/Action Required | |
| Comment: | | |
| Corrective Action: | | Correct Action Date: |

Predrill

Location ID: 230468

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

S/AR: _____

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

Form 2A COAs:

S/AR: _____ **Comment:** _____

CA: _____ **Date:** _____

Wildlife BMPs:

S/AR: _____ **Comment:** _____

CA: _____ **Date:** _____

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: 109324 Type: PIT API Number: - Status: _____ Insp. Status: _____

Facility ID: 230468 Type: WELL API Number: 103-08131 Status: PR Insp. Status: SI

Idle WellPurpose: ☒ Shut In ☐ Temporarily Abandoned

Reminder: PRODUCTION RECORDS

S/A/V: ACTION

CA Date: 06/27/2016

CA: Contact COGCC Area Engineer.

Comment: Well SI at time of inspection - production records indicate well last produced in June 2009, no MIT on file.

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:

1003a. Waste and Debris removed? 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 marked? Pass

CM

CA CA Date

1003b. Area no longer in use?

Production areas stabilized ?

Inspector Name: GRANAHAN, KYLE

- 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 |
|------------------|-----------------|-------------------------|-----------------------|---------------|--------------------------|---------|
| Compaction | Pass | | | | | |

S/A/V: SATISFACTOR Corrective Date: _____

Y

Comment: **No sediment flow evident**

CA: _____

Pits: ☐ NO SURFACE INDICATION OF PIT

Inspector Name: GRANAHAN, KYLE

Pit Type: Blowdown Lined: NO Pit ID: 109324 Lat: 39.713411 Long: -108.762438

Lining:

Liner Type: _____ Liner Condition: _____

Comment: _____

Fencing:

Fencing Type: Wildlife Fencing Condition: Adequate

Comment: _____

Netting:

Netting Type: _____ Netting Condition: _____

Comment: _____

Anchor Trench Present: YES Oil Accumulation: NO 2+ feet Freeboard: _____

Pit (S/A/V): SATISFACTOR Comment: Weeds/brush around and within pit - noted in housekeeping section of inspection report.

Corrective Action: _____ Date: _____

Attached Documents

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

| Document Num | Description | URL |
|--------------|---------------------|---|
| 675102590 | INSPECTION APPROVED | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3878256 |
| 675102591 | Pit1 | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3878247 |
| 675102592 | Pit2 | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3878248 |
| 675102593 | Gas meter/seperator | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3878249 |