

**FORM
INSP**

Rev
X/15

**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:

03/02/2020

Submitted Date:

03/04/2020

Document Number:

696201062

FIELD INSPECTION FORM

Loc ID 312599 Inspector Name: Trujillo, Aaron On-Site Inspection 2A Doc Num: _____

Status Summary:

- THIS IS A FOLLOW UP INSPECTION
- FOLLOW UP INSPECTION REQUIRED
- NO FOLLOW UP INSPECTION REQUIRED

Operator Information:

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

Findings:

- 4 Number of Comments
- 2 Number of Corrective Actions
- Corrective Action Response Requested

ANY CORRECTIVE ACTION(S) FROM PREVIOUS INSPECTIONS THAT HAVE NOT BEEN ADDRESSED ARE STILL APPLICABLE

Contact Information:

Contact Name	Phone	Email	Comment
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Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
221995	WELL	PA	08/09/2014	GW	077-08597	HANCOCK GULCH 1-15 CBM	RI

General Comment:

On 3/2/2020, Reclamation Specialist Trujillo conducted a final reclamation and stormwater inspection at Maralex Resources' Hancock Gulch 1-15 CBM location in Mesa County, Colorado.

This inspection is to document compliance for the following corrective actions from Inspection No. 696200844:

1002.f: Stormwater Management

1004.a: Reclamation of the Location

It was documented that Location remains out of compliance with Rules 1004.a and 1002.f

The following alleged compliance issues were observed during this inspection: Stormwater degradation has continued with sediment discharge observed off Location; Stormwater has further degraded the access road exposing the culvert subsurface; No required stormwater Best Management Practices (BMPs) have been installed or maintained to stabilize the Location and mitigate degradation; No reclamation activities appear to have been conducted on the Location. Corrective actions have not been addressed.

Due to the significant nature, extent, or duration of this alleged rule violation, Location is being referred for enforcement.

Refer to the "Reclamation" and "Stormwater" sections of this inspection report for additional details.

Refer to the photo-documentation of the observed compliance issues attached to this report.

Any corrective action(s) from previous inspections that have not been addressed are still applicable.

A follow up on this site inspection will be conducted to ensure the compliance issues have been corrected to comply with COGCC rules.

Inspected Facilities

Facility ID: 221995 Type: WELL API Number: 077-08597 Status: PA Insp. Status: RI

Reclamation - Storm Water - Pit

Interim Reclamation:

Date Interim Reclamation Started: _____ Date Interim Reclamation Completed: _____

Land Use: _____

Comment: _____

1002 SITE PREPARATION AND STABILIZATION

1002a. FENCING _____

Comment _____

Corrective Action _____

Date _____

1002b. SOIL REMOVAL AND SEGREGATION _____

Comment _____

Corrective Action _____

Date _____

1002c. PROTECTION OF SOILS _____

Comment _____

Corrective Action _____

Date _____

1002E. SURFACE DISTURBANCE MINIMIZATION _____

Comment _____

Corrective Action _____

Date _____

1003a. Waste and Debris removed? _____

Comment _____

Corrective Action _____

Date _____

Unused or unneeded equipment onsite? _____

Comment _____

Corrective Action _____

Date _____

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

Comment _____

Corrective Action _____

Date _____

Guy line anchors marked? _____

Comment _____

Corrective Action _____

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 _____

1003e. INTERIM VEGETATION TRANSECT
 TRANSECT RESULTS OF DISTURBED AREA% _____
 TRANSECT RESULTS OF REFERENCE AREA% _____
 TOTAL % OF DESIRABLE VEGETATION COVER _____
 VEGETATIVE COVER _____

1003 f. Weeds Noxious weeds? _____

Comment

Corrective Action

Date _____

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 **Fail** _____

Non cropland: Revegetated 80% **Fail** _____ Cropland: perennial forage _____

Weeds present _____ Subsidence _____

1004.d. FINAL VEGETATION TRANSECT
 TRANSECT RESULTS OF DISTURBED AREA% _____
 TRANSECT RESULTS OF REFERENCE AREA% _____
 TOTAL % OF DESIRABLE VEGETATION COVER _____
 VEGETATIVE COVER _____

Comment:

	<p>Inspection No. 696022844 observed that the Location was not sufficiently stabilized, and erosion degradation has resulted in reclamation failure. Inspection required Operator to conduct additional reclamation pursuant to COGCC 1000 series rules.</p> <p>It was observed in this inspection that no additional stormwater management (see "Stormwater") or reclamation activities have been conducted to 1) Stabilize the Location, and 2) bring Location into compliance with Rule 1004.a; Location remains out of compliance with reclamation rules and corrective actions; Original corrective action and date remains applicable.</p>	
Corrective Action:	<p>Conduct additional reclamation in accordance with COGCC 1000 series rules. Establish vegetation with total perennial, non-invasive uniform plant cover of at least eighty (80) percent of pre-disturbance or reference area levels. Use a seed mixture requested by the surface owner, or a mixture prescribed by the local county NRCS. Ensure erosion controls are implemented to stabilize the seeded soil, and continue to monitor and manage this site until Final Reclamation has passed.</p>	Date 11/06/2019
Overall Final Reclamation	Fail	Well Release on Active Location <input type="checkbox"/> Multi-Well Location <input type="checkbox"/>

Storm Water:

Loc Erosion BMPs	BMP Maintenance	Lease Road Erosion BMPs	Lease BMP Maintenance	Chemical BMPs	Chemical BMP Maintenance	Comment
	Fail					Stormwater Management

Comment:	<p>Inspection No. 696022844 observed that the Location was not sufficiently stabilized, and erosion degradation has resulted in reclamation failure. Inspection required Operator to conduct install or repair required BMPs pursuant to 1002.f rules</p> <p>It was observed in this inspection that no additional stormwater management appears to have been conducted to bring the Location into compliance with Rule 1002.f; Stormwater degradation (rill and gully erosion) has continued on Location with sediment discharge observed on the access road; Stormwater has further degraded the access road exposing the culvert subsurface; BMPs remain missing or not installed/maintained in proper functioning condition. Corrective action and date remains applicable.</p>	
Corrective Action:	<p>Install or repair required BMPs per Rule 1002.f. Conduct ongoing stormwater monitoring and management until location passes final reclamation.</p>	Date: 11/06/2019

Pits: 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
696201063	Inspection Photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5084979