

**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:

04/09/2020

Submitted Date:

04/13/2020

Document Number:

688800718

FIELD INSPECTION FORMLoc ID _____ Inspector Name: _____ On-Site Inspection ☐
Hughes, Jim 2A Doc Num: _____**Operator Information:**

OGCC Operator Number: 53255

Name of Operator: MARALEX RESOURCES INC

Address: P O BOX 338

City: IGNACIO State: CO Zip: 81137

Status Summary:

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

Findings:

23 Number of Comments

7 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
Fischer, Alex		alex.fischer@state.co.us	
O'Hare, Mickey	(970) 563-4000/ (719) 429-3529	amohare@maralexinc.com	All Inspections
Jordan, Reid	970-563-4000	maralextechjr@gmail.com	Ignacio
Heil, John		john.heil@state.co.us	

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
424697	WELL	PR		GW	067-09866	KELSALL 33-7 4-1	EI
428042	WELL	PR		GW	067-09880	KELSALL 33-7 4-4	EI
428043	WELL	PR		GW	067-09881	KELSALL 33-7 4-2	EI
428044	WELL	PR		GW	067-09882	KELSALL 33-7 4-3	EI
463853	Domestic Tap	AC			-	Domestic Tap 4-1	EI
474665	SPILL OR RELEASE	AC	04/08/2020		-	Kelsall 33-7 #4-4	EI

General Comment:

On April 9, 2020 COGCC SW EPS Jim Hughes conducted an environmental field inspection of the Maralex Resources Inc. Kelsall 33-7 #4 -4. The purpose of this site visit was to inspect Spill/Release Point ID #474665.

Location			
Lease Road:			
Type	Access		
comment:			
Corrective Action	L		Date:
Overall Good: <input checked="" type="checkbox"/>			
Signs/Marker:			
Type	BATTERY		
Comment:	Tank battery sign posted on railing.		
Corrective Action:			Date:
Type	WELLHEAD		
Comment:	Signs posted on separators.		
Corrective Action:			Date:
Type	TANK LABELS/PLACARDS		
Comment:	Previous operator listed on tank labels. Signs not updated to reflect current operator.		
Corrective Action:	Install signs to comply with Rule 210.e.		Date: 06/12/2020
Emergency Contact Number:			
Comment:	Posted on location signs.		
Corrective Action:			Date: _____
Good Housekeeping:			
Type	STORAGE OF SUPL		
Comment:	Transfer hose stored in secondary containment berm for tank battery.		
Corrective Action:	Comply with Rule 603.f.		Date: 05/13/2020
Type	UNUSED EQUIPMENT		
Comment:	Unused lube oil container on concrete pad for 4-4 pump jack.		
Corrective Action:	Comply with Rule 603.f.		Date: 05/13/2020
Overall Good: <input type="checkbox"/>			
Spills:			
Type	Area	Volume	
Produced Water	WELLHEAD	<= 1 bbl	
Comment:	Stained soil around base of 4-1, 4-2, and 4-4 wellheads.		
Corrective Action:	Control and contain spills/releases and clean up per Rule 906.a. Contact COGCC EPS staff.		Date: 05/13/2020
Lube Oil	Pump Jack	<= 1 bbl	
Comment:	Stained soil near prime mover exhaust		
Corrective Action:	Control and contain spills/releases and clean up per Rule 906.a. Contact COGCC EPS staff.		Date: 05/13/2020
In Containment: No			
Comment:			
<input checked="" type="checkbox"/> Multiple Spills and Releases?			

Fencing/:			
Type	SEPARATOR		
Comment:	Jersey barriers next to separators.		
Corrective Action:		Date:	
Type	LOCATION		
Comment:	Perimeter fencing w/ cattle guard.		
Corrective Action:		Date:	

Equipment:			corrective date
Type: Prime Mover	# 4		
Comment:	Natural gas powered.		
Corrective Action:		Date:	
Type: Bird Protectors	# 3		
Comment:			
Corrective Action:		Date:	
Type: Horizontal Heated Separator	# 4		
Comment:	Two steel buildings with two separators each.		
Corrective Action:		Date:	
Type: Ancillary equipment	# 1		
Comment:	Telemetry equipment.		
Corrective Action:		Date:	
Type: Pump Jack	# 4		
Comment:			
Corrective Action:		Date:	
Type: Flow Line	# 4		
Comment:			
Corrective Action:		Date:	

Tanks and Berms:

Contents	#	Capacity	Type	Tank ID	SE GPS
PRODUCED WATER	1	300 BBLS	STEEL AST		37.136797,-107.613936
Comment:	Southern AST.				
Corrective Action:					Date:

Paint

Condition	Adequate
Other (Content)	
Other (Capacity)	
Other (Type)	

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Earth	Adequate	Walls Sufficient	Base Sufficient	Adequate
Comment:				

Corrective Action:					Date:	
Contents	#	Capacity	Type	Tank ID	SE GPS	
PRODUCED WATER	1	300 BBLs	HEATED STEEL AST		37.136842,-107.613934	
Comment: Northern AST.						
Corrective Action:					Date:	

Paint

Condition	Adequate	
Other (Content)		
Other (Capacity)		
Other (Type)		

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Earth	Adequate	Walls Sufficient	Base Sufficient	Adequate
Comment:				
Corrective Action:				Date:

Venting:

Yes/No	NO	
Comment:		
Corrective Action:		Date:

Flaring:

Type	
Comment:	
Corrective Action:	Date:

Inspected Facilities									
Facility ID:	<u>424697</u>	Type:	<u>WELL</u>	API Number:	<u>067-09866</u>	Status:	<u>PR</u>	Insp. Status:	<u>EI</u>
Facility ID:	<u>428042</u>	Type:	<u>WELL</u>	API Number:	<u>067-09880</u>	Status:	<u>PR</u>	Insp. Status:	<u>EI</u>
Facility ID:	<u>428043</u>	Type:	<u>WELL</u>	API Number:	<u>067-09881</u>	Status:	<u>PR</u>	Insp. Status:	<u>EI</u>
Facility ID:	<u>428044</u>	Type:	<u>WELL</u>	API Number:	<u>067-09882</u>	Status:	<u>PR</u>	Insp. Status:	<u>EI</u>
Facility ID:	<u>463853</u>	Type:	<u>Domestic Tap</u>	API Number:	<u>-</u>	Status:	<u>AC</u>	Insp. Status:	<u>EI</u>
Facility ID:	<u>474665</u>	Type:	<u>SPILL OR</u>	API Number:	<u>-</u>	Status:	<u>AC</u>	Insp. Status:	<u>EI</u>

Environmental**Spills/Releases:**

Type of Spill: PRODUCED WATER

Estimated Spill Volume: _____

Comment: [See Document #402364736 for more information regarding this release.](#)Corrective Action: [Control and contain spills/releases and clean up per Rule 906.a. Contact COGCC EPS staff.](#)

Date: 05/13/2020

Reportable: YES

GPS: Lat 37.136850

Long -107.614250

Proximity to Surface Water: _____

Depth to Ground Water: _____

Water Well Complaint:

Lat

Long

DWR Receipt Num: _____

Owner Name: _____

GPS : _____

Field Parameters:

Sample Location: _____

Comment: _____

Waste Management:

Type	Management	Condition	GPS (Lat) (Long)	
Oily Soil	Piles	Inadequate	37.137134	-107.614257
Comment	Stained soil was observed next to the pump jack for the 4-2. A wooden container approximately 3' by 5' lined with a tarp contained impacted material.			
Corrective Action	E & P waste not properly stored, handled, transported, treated, recycled, or disposed per Rule 907. Contact COGCC EPS staff.			Date: 04/15/2020

Spill/Remediation:

Comment:

Corrective Action:

Date: _____

Emission Control Burner (ECB): _____

Comment:

Pilot: _____

Wildlife Protection Devices (fired vessels): _____

Reclamation - Storm Water - Pit**Storm Water:**

Loc Erosion BMPs	BMP Maintenance	Lease Road Erosion BMPs	Lease BMP Maintenance	Chemical BMPs	Chemical BMP Maintenance	Comment
Ditches	Pass	Gravel	Pass	Material Handling And Spill Prevention	Pass	Secondary containment for lube oil container.
Compaction	Pass					
Berms	Pass	Culverts	Pass			
Rip Rap	Pass	Compaction	Pass	Material Handling And Spill Prevention	Pass	Drip pot at load out valve.

Comment: Corrective Action: Date: **Pits:** ☒ NO SURFACE INDICATION OF PIT**COGCC Comments**

Comment	User	Date
<p>On April 9, 2020 COGCC SW EPS Jim Hughes conducted an environmental field inspection of the Maralex Resources Inc. Kelsall 33-7 #4-4. The purpose of this site visit was to inspect Spill/Release Point ID #474665. The operator shall comply with Rule 910.b.3. Analytical results shall be submitted by the operator via a supplemental spill report. During this inspection, an Overright Trucking water hauler was on site. All four pump jacks were operating. A wooden container with stained soil was observed near the #4-2 pump jack. Comply with Rule 907.a and dispose of this E & P waste at an approved facility. Stained soil was observed at the prime mover exhaust ports. An empty lube oil container was observed on the concrete pad for the #4-4 pump jack. The water hauler stored a transfer hose in the secondary containment berm when finished. A wet area was observed where the driver spilled produced water. The previous operator is still listed on the tank labels.</p>	hughesjo	04/13/2020

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

Document Num	Description	URL
688800719	Inspection Photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5122790