

**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:

05/05/2020

Submitted Date:

05/05/2020

Document Number:

699801040

**FIELD INSPECTION FORM**

Loc ID: 334269      Inspector Name: De Paolo, Corey      On-Site Inspection:       2A Doc Num: \_\_\_\_\_

**Status Summary:**  
 THIS IS A FOLLOW UP INSPECTION  
 FOLLOW UP INSPECTION REQUIRED  
 NO FOLLOW UP INSPECTION REQUIRED

**Findings:**  
 8 Number of Comments  
 3 Number of Corrective Actions  
 Corrective Action Response Requested

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

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

**Contact Information:**

| Contact Name    | Phone | Email                            | Comment |
|-----------------|-------|----------------------------------|---------|
| , Engineering   |       | dnr_cogccengineering@state.co.us |         |
| Graves, Jim     |       | mrinc20@maralexinc.com           |         |
| Pesicka, Conor  |       | conor.pesicka@state.co.us        |         |
| Kellerby, Shaun |       | shaun.kellerby@state.co.us       |         |
| Jordan, Reid    |       | maralextechjr@gmail.com          |         |

**Inspected Facilities:**

| Facility ID | Type | Status | Status Date | Well Class | API Num   | Facility Name          | Insp Status |
|-------------|------|--------|-------------|------------|-----------|------------------------|-------------|
| 210984      | WELL | SI     | 05/01/1996  | GW         | 045-06742 | SOUTH SHALE RIDGE 1-8  | SI          |
| 266868      | WELL | SI     | 11/01/2007  | GW         | 045-09186 | SOUTH SHALE RIDGE 1-8H | SI          |

**General Comment:**

[COGCC Inspection Report Summary](#)  
 On Tuesday 5/5/20 at approximately 10:30 hours, I, Inspector Corey De Paolo, Conducted a follow up inspection at MARALEX RESOURCES INC SOUTH SHALE RIDGE-68S98W /8NENE, Location #334269 in Garfield County Colorado.  
 Refer to document #699800681 inspection conducted on 3/3/20. Not all corrective actions have been completed. While there, I observed normal production operations.  
 During this inspection the following possible compliance issues were observed: Tank label weathered and not legible. See photo #0690 and #1115 with a previous corrective action date of 5/3/20. MIT required on both wells on location. With a previous corrective action date of 4/3/20.

A follow up on this site inspection needs to be conducted to ensure the compliance issues have been corrected to comply with COGCC rules. This is a summary of inspection report.

**Location**

|                    |        |  |       |
|--------------------|--------|--|-------|
| <b>Lease Road:</b> |        |  |       |
| Type               | Access |  |       |
| comment:           |        |  |       |
| Corrective Action  |        |  | Date: |

Overall Good:

|                      |  |  |                  |
|----------------------|--|--|------------------|
| <b>Signs/Marker:</b> |  |  |                  |
| Type                 | TANK LABELS/PLACARDS   |  |                  |
| Comment:             | Tank label weathered and not legible. See photo #0690 and #1115  |  |                  |
| Corrective Action:   | Operators shall maintain signs in a legible condition, and shall replace damaged signs. Properly label tank. |  | Date: 05/03/2020 |
| Type                 | BATTERY  |  |                  |
| Comment:             |  |  |                  |
| Corrective Action:   |  |  | Date:            |
| Type                 | WELLHEAD   |  |                  |
| Comment:             |  |  |                  |
| Corrective Action:   |  |  | Date:            |

|                                  |     |  |             |
|----------------------------------|-----|--|-------------|
| <b>Emergency Contact Number:</b> |     |  |             |
| Comment:                         | 911 |  |             |
| Corrective Action:               |     |  | Date: _____ |

|                           |        |  |       |
|---------------------------|--------|--|-------|
| <b>Good Housekeeping:</b> |        |  |       |
| Type                      | DEBRIS |  |       |
| Comment:                  |        |  |       |
| Corrective Action:        |        |  | Date: |

Overall Good:

|  |      |        |  |
|--|------|--------|--|
| <b>Spills:</b>   |      |        |  |
| Type   | Area | Volume |  |
| In Containment: No                                     |      |        |  |
| Comment:   |      |        |  |
| <input type="checkbox"/> Multiple Spills and Releases? |      |        |  |

|                          |     |  |                 |
|--------------------------|-----|--|-----------------|
| <b>Equipment:</b>        |     |  | corrective date |
| Type: Bird Protectors    | # 1 |  |                 |
| Comment:                 |     |  |                 |
| Corrective Action:       |     |  | Date:           |
| Type: Plunger Lift       | # 2 |  |                 |
| Comment:                 |     |  |                 |
| Corrective Action:       |     |  | Date:           |
| Type: Vertical Separator | # 2 |  |                 |
| Comment:                 |     |  |                 |
| Corrective Action:       |     |  | Date:           |

|                          |     |       |
|--------------------------|-----|-------|
| Type: Deadman # & Marked | # 3 |       |
| Comment:                 |     |       |
| Corrective Action:       |     | Date: |
| Type: Pump Jack          | # 2 |       |
| Comment:                 |     |       |
| Corrective Action:       |     | Date: |
| Type: Gas Meter Run      | # 2 |       |
| Comment:                 |     |       |
| Corrective Action:       |     | Date: |

**Tanks and Berms:**

| Contents           | # | Capacity | Type     | Tank ID | SE GPS |
|--------------------|---|----------|----------|---------|--------|
| PRODUCED WATER     | 1 | 300 BBLs | Open Top |         | ,      |
| Comment:           |   |          |          |         |        |
| 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:           | Separate containment |                     |                     |             |
| Corrective Action: |                      |                     |                     | Date:       |

| Contents           | #                    | Capacity | Type           | Tank ID | SE GPS |
|--------------------|----------------------|----------|----------------|---------|--------|
| PRODUCED WATER     | 1                    | OTHER    | FIBERGLASS AST |         | ,      |
| Comment:           | Capacity not legible |          |                |         |        |
| 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:           | Separate containment |                     |                     |             |
| Corrective Action: |                      |                     |                     | Date:       |

**Venting:**

|                    |    |       |  |
|--------------------|----|-------|--|
| Yes/No             | NO |       |  |
| Comment:           |    |       |  |
| Corrective Action: |    | Date: |  |

**Flaring:**

|                    |  |       |  |
|--------------------|--|-------|--|
| Type               |  |       |  |
| Comment:           |  |       |  |
| Corrective Action: |  | Date: |  |

**Inspected Facilities**

Facility ID: 210984 Type: WELL API Number: 045-06742 Status: SI Insp. Status: SI

**Idle Well**

Purpose:  Shut In  Temporarily Abandoned Reminder: \_\_\_\_\_

Comment: Last MIT preformed 2/23/15 refer to document #400797762. Well last produced April 2010. Well over due for MIT.

Corrective Action: a mechanical integrity test shall be performed on each shut-in well on 5 year intervals from the date the initial mechanical integrity test was performed. Preform MIT on well. Date: 04/03/2020

Facility ID: 266868 Type: WELL API Number: 045-09186 Status: SI Insp. Status: SI

**Idle Well**

Purpose:  Shut In  Temporarily Abandoned Reminder: \_\_\_\_\_

Comment: Last MIT preformed 9/22/2014 refer to document #1726708. Well last produced December 2009. Well over due for MIT.

Corrective Action: A mechanical integrity test shall be performed on each shut-in well on 5 year intervals from the date the initial mechanical integrity test was performed. Preform MIT on well. Date: 04/03/2020

**Reclamation - Storm Water - Pit**

**Storm Water:**

| Loc Erosion BMPs | BMP Maintenance | Lease Road Erosion BMPs | Lease BMP Maintenance | Chemical BMPs | Chemical BMP Maintenance | Comment |
|------------------|-----------------|-------------------------|-----------------------|---------------|--------------------------|---------|
|                  |                 | Compaction              |                       |               |                          |         |
| Gravel           |                 |                         |                       |               |                          |         |
|                  |                 | Gravel                  |                       |               |                          |         |
| Compaction       |                 |                         |                       |               |                          |         |
| Ditches          |                 |                         |                       |               |                          |         |
|                  |                 | Culverts                |                       |               |                          |         |
| Berms            |                 |                         |                       |               |                          |         |
|                  |                 | Ditches                 |                       |               |                          |         |

Comment:

Corrective Action:

Date: \_\_\_\_\_

**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   |
|--------------|-----------------------------|---|
| 699801041    | Photos for Insp. #699801040 | <a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5143169">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5143169</a> |