

State of Colorado
Energy & Carbon Management Commission

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Document Number:

403532570

Date Received:

09/16/2023

SPILL/RELEASE REPORT (SUPPLEMENTAL)

This form is to be submitted by the party responsible for the oil and gas spill or release. Refer to COGCC Rule 912.b. for reporting requirements of spills or releases of E&P Waste, produced Fluids, or unauthorized Releases of natural gas. Submit a Site Investigation and Remediation Workplan (Form 27) if Rule 913.c. applies.

Spill report taken by:

Kosola, Jason

Spill/Release Point ID:

485053

OPERATOR INFORMATION

| | | |
|---|---------------------------|--------------------------------------|
| Name of Operator: <u>MARALEX RESOURCES INC</u> | Operator No: <u>53255</u> | Phone Numbers |
| Address: <u>P O BOX 338</u> | | Phone: <u>(970) 563-4000</u> |
| City: <u>IGNACIO</u> State: <u>CO</u> Zip: <u>81137</u> | | Mobile: <u>()</u> |
| Contact Person: <u>MOLLIE O'HARE</u> | | Email: <u>mollieo@maralexinc.com</u> |

Transfer of Operatorship: Pursuant to Rule 912.f, this Supplemental Form 19 is being submitted to designate the Buying Operator as the responsible Operator for this Spill and Release.

INITIAL SPILL/RELEASE REPORT

Initial Spill/Release Report Doc# 403520639

Initial Report Date: 09/05/2023 Date of Discovery: 08/17/2023 Spill Type: Recent Spill

Spill/Release Point Location:

QTRQTR NENE SEC 2 TWP 33N RNG 7W MERIDIAN N

Latitude: 37.137217 Longitude: -107.571556

Municipality (if within municipal boundaries): _____ County: LA PLATA

Enter Lat./long measurement of the actual Spill/Release Point. Lat./Long. Data shall meet standards of Rule 216.

Reference Location:

Facility Type: WELL SITE Facility/Location ID No 306805
 Spill/Release Point Name: Drilling Site (mouse hole/rat hole) Well API No. (Only if the reference facility is well) 05- -
 No Existing Facility or Location ID No.

Estimated Total Spill Volume: use same ranges as others for values

| | |
|--|--|
| Estimated Oil Spill Volume(bbl): <u>0</u> | Estimated Condensate Spill Volume(bbl): <u>0</u> |
| Estimated Flow Back Fluid Spill Volume(bbl): <u>0</u> | Estimated Produced Water Spill Volume(bbl): <u>0</u> |
| Estimated Other E&P Waste Spill Volume(bbl): <u>>=5 and <100</u> | Estimated Drilling Fluid Spill Volume(bbl): <u>0</u> |

Specify: Fresh water that was used to drill rat hole and mouse hole

Has the subject Spill/Release been controlled at the time of reporting? Yes

Land Use:

Current Land Use: CROP LAND Other(Specify): _____

Weather Condition: Clear and sunny

Surface Owner: FEE Other(Specify): _____

Describe what is known about the spill/release event (what happened -- including how it was stopped, contained, and recovered):

During drilling operation of the Rat Hole and Mouse Hole, the pump to transfer the water to the cellar quit working. For several minutes, this was not realized until it was discovered that the water was running down to the county road. Operations ceased until the pump was fixed. The water being used in this drilling operation was fresh water. Please see attached water analysis. All soil is currently dry and was dry very soon after. BLM and SUIT representatives on site were not concerned with contamination.

List of Agencies and Other Parties Notified Pursuant to Rule 912.b.(7)-(11):

OTHER NOTIFICATIONS

| <u>Date</u> | <u>Agency/Party</u> | <u>Contact</u> | <u>Phone</u> | <u>Response</u> |
|-------------|---------------------------|-----------------|--------------|-----------------|
| 8/22/2023 | Landowner | Jim Etzler | - | |
| 8/18/2023 | Southern Ute Indian Tribe | | - | |
| 8/18/2023 | BLM | Rodney Brasher | - | |
| 8/18/2023 | ECMC/COGCC | Steve Labowskie | - | |

REPORT CRITERIA

Rule 912.b.(1) Report to the Director (select all criteria that apply):

Yes Rule 912.b.(1).A: A Spill or Release of any size that impacts or threatens to impact any Waters of the State, Public Water System, residence or occupied structure, livestock, wildlife, or publicly-maintained road.

Waters of the State: Impacted Public Water System: n/a
 Residence or Occupied Structure: n/a Livestock: n/a
 Wildlife: Threatened to Impact Publicly-Maintained Road: Threatened to Impact

Yes Rule 912.b.(1).B: A Spill or Release in which 1 barrel or more of E&P Waste or produced fluids is spilled or released outside of berms or other secondary containment.

No Rule 912.b.(1).C: A Spill or Release of 5 barrels or more of E&P Waste or produced Fluids regardless of whether the Spill or Release is completely contained within berms or other secondary containment.

No Rule 912.b.(1).D: Within 6 hours of discovery, a Grade 1 Gas Leak. For a Grade 1 Gas Leak from a Flowline, the Operator also must submit the Form 19 – Initial, document number on a Form 44, Flowline Report, for the Grade 1 Gas Leak

Enter the approximate time of discovery _____ (HH:MM)
 Enter the Document Number of the Grade 1 Gas Leak Report, Form 44 _____
 Was there a reportable accident associated with either a Grade 1 Gas Leak or an E&P waste spill or release? _____
 Enter the Document Number of the Initial Accident Report, Form 22 _____
 Was there damage during excavation? _____
 Was CO 811 notified prior to excavation? _____

No Rule 912.b.(1).E: The discovery of 10 cubic yards or more of impacted material resulting from a current or historic Spill or Release. Discovery and reporting will not be contingent upon confirmation samples demonstrating exceedance of Table 915-1 standards.

Estimated Volume of Impacted Solids (cu. yd.): _____

| | |
|-----|---|
| No | Rule 912.b.(1).F: The discovery of impacted Waters of the State, including Groundwater. Discovery and reporting will not be contingent upon confirmation samples demonstrating exceedance of Table 915-1 standards. The presence of free product or hydrocarbon sheen on Groundwater or surface water is reportable. The presence of contaminated soil in contact with Groundwater or surface water is reportable. Check all that apply: <input type="checkbox"/> The presence of free product or hydrocarbon sheen Surface Water <input type="checkbox"/> The presence of free product or hydrocarbon sheen on Groundwater <input type="checkbox"/> The presence of contaminated soil in contact with Groundwater <input type="checkbox"/> The presence of contaminated soil in contact with Surface water |
| Yes | Rule 912.b.(1).G: A suspected or actual Spill or Release of any volume where the volume cannot be immediately determined, including a spill or release of any volume that daylight from the subsurface. |
| No | Rule 912.b.(1).H: Spill or Release resulting in vaporized hydrocarbon mists that leave the Oil and Gas Location or Off-Location Flowline right of way from an Oil and Gas Location and impacts or threatens to impact off-location property. <input type="checkbox"/> Areas offsite of Oil & Gas Location <input type="checkbox"/> Off-Location Flowline right of way |
| No | Rule 912.b.(1).I: A Release of natural gas that results in an accumulation of soil gas or gas seeps. |
| No | Rule 912.b.(1).J: A Release that results in natural gas in Groundwater. |

REQUEST FOR CLOSURE

Spill/Release Reports should be closed when impacts have been remediated or when further investigation and corrective actions will take place under an approved Form 27.

Basis for Closure:

- Corrective Actions Completed (documentation attached, check all that apply)
 - Horizontal and Vertical extents of impacts have been delineated.
 - Documentation of compliance with Table 915-1 is attached.
 - All E&P Waste has been properly treated or disposed.
- Work proceeding under an approved Form 27 (Rule 912.c).
 Form 27 Remediation Project No: _____
- SUSPECTED Spill/Release did not occur or was below Rule 912.a.(5) reporting thresholds.

OPERATOR COMMENTS:

I hereby certify all statements made in this form are to the best of my knowledge true, correct, and complete.

Signed: _____ Print Name: Mollie O'Hare
 Title: EA Date: 09/16/2023 Email: mollieo@maralexinc.com

COA Type**Description**

| | |
|--------|---|
| | <p>Operator has not provided all the required information for Supplemental Spill Report. Spill/Release Detail Report and Corrective Actions Report tabs are not completed.</p> <p>FORM 19 SUPPLEMENTAL 10 DAY REPORT Per Rule 912.b.(4), the Operator shall make a supplemental report on Form 19 not more than 10 calendar days after the spill/release is discovered that includes:</p> <p>A. A topographic map showing the governmental section and location of the spill or an aerial photograph showing the location of the spill B. All pertinent information about the spill/release known to the Operator that has not been reported previously including photo documentation showing the source of the Spill or Release, the impacted area, and initial cleanup activity C. Information relating to the initial mitigation, site investigation, and remediation measures conducted by the Operator D. Global Positioning System data that meets the requirements of Rule 216 if latitude and longitude data provided pursuant to Rule 912.b.(2).A did not meet the requirements of Rule 216.</p> |
| | Operator shall conduct soil sampling according to COAs on Form 19 Intial Spill Report. |
| 2 COAs | |

Attachment List**Att Doc Num****Name**

| | |
|-----------|------------------------------------|
| 403532570 | SPILL/RELEASE REPORT(SUPPLEMENTAL) |
| 403532571 | SOIL SAMPLE LOCATION MAP |
| 403541045 | FORM 19 SUBMITTED |

Total Attach: 3 Files

General Comments**User Group****Comment****Comment Date**

| | | |
|--|--|---------------------|
| | | Stamp Upon Approval |
|--|--|---------------------|

Total: 0 comment(s)