

FORM INSP Rev 05/11	State of Colorado				DE	ET	OE	ES
	Oil and Gas Conservation Commission				Inspection Date: <u>07/17/2012</u>			
1120 Lincoln Street, Suite 801, Denver, Colorado 80203 Phone: (303) 894-2100 Fax: (303) 894-2109								

FIELD INSPECTION FORM

Location Identifier	Facility ID	Loc ID	Tracking Type	Inspector Name: <u>BROWNING, CHUCK</u>
	<u>210984</u>	<u>334269</u>		

Document Number:
668400589

Overall Inspection:

Violation

Operator Information:

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

Contact Information:

Contact Name	Phone	Email	Comment
Browning, Chuck	970-433-4139	chuck.browning@state.co.us	Field Inspector
Ohare, Mickey	970-563-4000	amohare@maralexinc.com	President
Graves, Jim	970-858-8550	mrinc20@qwestoffice.net	Operations Manager

Compliance Summary:

QtrQtr: <u>NENE</u>	Sec: <u>8</u>	Twp: <u>8S</u>	Range: <u>98W</u>
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Insp. Date	Doc Num	Insp. Type	Insp Status	Satisfactory /Unsatisfactory	PA P/F/I	Pas/Fail (P/F)	Violation (Y/N)
11/30/2010	200286836	PR	SI	U			Y
11/19/1998	500142485	ID	SI			F	N
07/30/1996	500142484	ID	SI				

Inspector Comment:

Wells shut in 2010. Weeds grown up around equipment. Berms inadequate. Improper signs

Related Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	
210984	WELL	SI	05/01/1996		045-06742	SOUTH SHALE RIDGE 1-8	<input checked="" type="checkbox"/>
266868	WELL	SI	11/01/2007	GW	045-09186	SOUTH SHALE RIDGE 1-8H	<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 Mortors: _____	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

Signs/Marker:

Type	Satisfactory/Unsatisfactory	Comment	Corrective Action	CA Date
TANK LABELS/PLACARDS	Unsatisfactory		Install sign to comply with rule 210.b.	11/01/2012

WELLHEAD	Unsatisfactory	Install sign to comply with rule 210.b.	11/01/2012
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Emergency Contact Number: (S/U/V) Unsatisfactory Corrective Date: _____

Comment: _____

Corrective Action: _____

Good Housekeeping:

Type	Satisfactory/Unsatisfactory	Comment	Corrective Action	CA Date
WEEDS	Unsatisfactory		Clear weeds and debris. 603.j.	11/01/2012

Spills:

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

Equipment:

Type	#	Satisfactory/Unsatisfactory	Comment	Corrective Action	CA Date
Pump Jack	2	Satisfactory		Clear weeds and debris. 603.j.	11/01/2012
Gas Meter Run	2	Unsatisfactory		Clear weeds and debris. 603.j.	11/01/2012
Vertical Heated Separator	2	Unsatisfactory		Clear weeds and debris. 603.j.	11/01/2012

Facilities: New Tank Tank ID: _____

Contents	#	Capacity	Type	SE GPS
CRUDE OIL	1	300 BBLS	FIBERGLASS AST	39.379440,-108.343560

S/U/V: **Unsatisfactory** Comment: Hay bales, debris and weeds inside berms

Corrective Action: Clear weeds and debris. 603.j. Corrective Date: 10/20/2012

Paint

Condition	Adequate
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Other (Content) _____

Other (Capacity) _____

Other (Type) _____

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Earth	Inadequate	Walls Insufficient	Base Insufficient	Inadequate

Corrective Action: Berms insufficient. Comply with rule 604.a.(4) Corrective Date: 11/01/2012

Comment: _____

Facilities:		<input type="checkbox"/> New Tank	Tank ID: _____		
Contents	#	Capacity	Type	SE GPS	
CRUDE OIL	1	200 BBLS	FIBERGLASS AST	39.379320,-108.343390	
S/U/V:	Satisfactory	Comment: Hay bales, debris and weeds inside berms			
Corrective Action:	Clear weeds and debris. 603.j.			Corrective Date:	11/01/2012
Paint					
Condition	Adequate				
Other (Content)	_____				
Other (Capacity)	_____				
Other (Type)	_____				
Berms					
Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance	
Earth	Inadequate	Walls Insufficient	Base Insufficient	Inadequate	
Corrective Action	Berms insufficient. Comply with rule 604.a.(4)			Corrective Date	11/01/2012
Comment	_____				
Venting:					
Yes/No	Comment				
NO	_____				
Flaring:					
Type	Satisfactory/Unsatisfactory	Comment	Corrective Action	CA Date	

Predrill

Location ID: 334269

Site Preparation:

Lease Road Adeq.: _____ Pads: _____ Soil Stockpile: _____
 Corrective Action: _____ Date: _____ CDP Num.: _____

Form 2A COAs:

Comment: _____

CA: _____ **Date:** _____

Wildlife BMPs:

Comment: _____

CA: _____ **Date:** _____

Stormwater:

Erosion BMPs	Present	Other BMPs	Present

Corrective Action: _____ Date: _____

Comments: Erosion BMPs: _____
 Other BMPs: _____

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

Idle Well

Purpose: Shut In Temporarily Abandoned Reminder: _____

S/V: CA Date:

CA: Well must be either: 1) Put on production or 2) Per COGCC Rule 326.b.(1) a mechanical integrity test shall be performed on each shut-in well within two (2) years of the initial shut-in date or 3) Be properly plugged and abandoned . Shut-in and temporarily abandoned wells must be properly reported on COGCC Form 7, Operator's Monthly Production Report.

Comment: Well shut in 5/2010

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

Idle Well

Purpose: Shut In Temporarily Abandoned Reminder: _____

S/V: CA Date:

CA: Well must be either: 1) Put on production or 2) Per COGCC Rule 326.b.(1) a mechanical integrity test shall be performed on each shut-in well within two (2) years of the initial shut-in date or 3) Be properly plugged and abandoned . Shut-in and temporarily abandoned wells must be properly reported on COGCC Form 7, Operator's Monthly Production Report.

Comment: Well shut in 1/2010

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:

DWR Receipt Num: _____ Owner Name: _____ GPS : _____ Lat _____ Long _____

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. Debris removed? CM _____

CA CA Date

Waste Material Onsite? 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 removed? _____ CM _____
 CA _____ CA Date _____
 Guy line anchors marked? Pass CM _____
 CA _____ CA Date _____

1003b. Area no longer in use? In _____ Production areas stabilized ? Pass _____
 1003c. Compacted areas have been cross ripped? _____
 1003d. Drilling pit closed? Pass _____ Subsidence over on drill pit? Pass _____
 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? Pass _____ 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? _____ F _____

Comment: _____

Overall Interim Reclamation In Process

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 _____ Multi-Well Location

Storm Water:						
Loc Erosion BMPs	BMP Maintenance	Lease Road Erosion BMPs	Lease BMP Maintenance	Chemical BMPs	Chemical BMP Maintenance	Comment

S/U/V: _____ Corrective Date: _____

Comment: _____

CA: _____