

**FORM
INSP**Rev
X/20**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:

02/08/2021

Submitted Date:

02/16/2021

Document Number:

700405390**FIELD INSPECTION FORM**Loc ID 314961 Inspector Name: Moran, Rick On-Site Inspection ☐ 2A Doc Num: _____**Operator Information:**OGCC Operator Number: 53255Name of Operator: MARALEX RESOURCES INCAddress: P O BOX 338City: IGNACIO State: CO Zip: 81137**Status Summary:**

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

Findings:9 Number of Comments2 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
Graves, Jim	970-712-0099	mrinc20@maralexinc.com	Operations Manager
Reid, Jordan	970-563-4000	maralexjr@gmail.com	All inspections

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
229983	WELL	PR	10/02/1998	GW	103-07642	LOWELL BRADY 23-3A	PR

General Comment:

A follow up inspection of documents:

- 1) 700404032 dated 11-3-2020.
- 2) 700404841 dated 1-5-2021.

The following compliance issues were resolved:

- 1) Blowdown tank sign was completed.
- 2) The casing gage was replaced with a plug eliminating that gas leak.

Additional compliance issues:

- 1) Another gas leak at well. Photos 3 & 4. Complete by 2-10-2021.
- 2) Provide bradenhead access. Photo 3. Complete by 3-19-2021.

The emergency number 970-858-8550 was called on 2-9-2021 @ 10:23a to report the additional gas leak. Aaron returned the inspectors phone call to discuss the leak.

Well is located within in a black bear area, and a Rule 1202.d mule deer migration corridor area.

This is a summary of inspection report 700405390.

LocationOverall Good: ☒

Signs/Marker:			
Type	WELLHEAD		
Comment:			
Corrective Action:		Date:	
Type	TANK LABELS/PLACARDS		
Comment:			
Corrective Action:		Date:	

Emergency Contact Number:

Comment: 911

Corrective Action:

Date: _____

Overall Good: ☒

Spills:				
Type	Area	Volume		

In Containment: No

Comment:

☐ Multiple Spills and Releases?

Fencing/:			
Type	TANK BATTERY		
Comment:			
Corrective Action:		Date:	

Equipment:			corrective date
Type: Bradenhead	# 1		
Comment:	Bradenhead access is not present.		
Corrective Action:	Provide bradenhead access with appropriate fittings to allow determination of pressure and fluid flow.	Date:	03/19/2021
Type: Pump Jack	# 1		
Comment:			
Corrective Action:		Date:	
Type: Deadman # & Marked	# 4		
Comment:			
Corrective Action:		Date:	
Type: Horizontal Heated Separator	# 1		
Comment:			
Corrective Action:		Date:	
Type: Bird Protectors	# 2		
Comment:			
Corrective Action:		Date:	
Type: Gas Meter Run	# 1		

Comment:	Calibrated 4-2020.		
Corrective Action:		Date:	

Tanks and Berms:

Contents	#	Capacity	Type	Tank ID	SE GPS
PRODUCED WATER	1	<50 BBLS	Open Top		,
Comment:					
Corrective Action:					Date:

Paint

Condition	Adequate	
Other (Content)		
Other (Capacity)	30 bbl	
Other (Type)		

Berms

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

Venting:

Yes/No		
Comment:		
Corrective Action:		Date:

Flaring:

Type	
Comment:	
Corrective Action:	Date:

Inspected Facilities									
Facility ID:	229983	Type:	WELL	API Number:	103-07642	Status:	PR	Insp. Status:	PR
Producing Well									
Comment:	PR								
Corrective Action:				Date:					

Reclamation - Storm Water - Pit

Storm Water:

Loc Erosion BMPs	BMP Maintenance	Lease Road Erosion BMPs	Lease BMP Maintenance	Chemical BMPs	Chemical BMP Maintenance	Comment
Berms						

Comment: 4" of snow on location.

Corrective Action:

Date:

Pits: ☒ NO SURFACE INDICATION OF PIT

Optical Gas Imaging SurveySurvey Type: RoutineCurrent Operations: ☐ Production ☐ Workover ☐ Flowback ☐ Referred to APCD

GPS(entrance of location): Lat: _____ Long: _____

Wind: _____ Speed: _____ (mph) Direction From: _____ Weather: _____ Temperature: (F) _____

Assisting Staff: _____ Camera #: _____

☐ Visible Smoke ☐ Referred to CDPHE

Times Surveyed

Equipment Surveyed

Time Survey Start	AM/PM	Time Survey End	AM/PM	Equipment
3:50	PM	3:55	PM	Wellhead(s)

Comment: FLIR camera used to image a gas leak along the threads of a vertical pipe at the well head. Located ~8" below where the meter gage was located. See attached photos & video.

Corrective Action: Securely fasten all valves, pipes, and fittings to ensure good mechanical condition, inspect at regular intervals and maintain in good mechanical condition.

Date: 02/10/2021**Attached Documents**You can go to COGCC Images (<https://cogcc.state.co.us/weblink/>) and search by document number:

Document Num	Description	URL
402600583	INSPECTION SUBMITTED	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5352643
700405391	inspection photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5352633
700405392	FLIR HSM video of gas leak	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5352634