

**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:

03/25/2021

Submitted Date:

03/26/2021

Document Number:

701101320

FIELD INSPECTION FORM

Loc ID 322450 Inspector Name: LONGWORTH, MIKE On-Site Inspection 2A Doc Num: _____

Status Summary:

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

Operator Information:

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

Findings:

- 12 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 |
|-----------------|--------------|----------------------------------|-----------------|
| Byers, Jim | | jbyers@blm.gov | |
| , Engineering | | dnr_cogccengineering@state.co.us | All engineering |
| Graves, Jim | 970-712-0099 | mrinc20@qwestoffice.net | Fruita |
| Jordan, Reid | | maralextechjr@gmail.com | |
| Kellerby, Shaun | | shaun.kellerby@state.co.us | |
| Pesicka, Conor | | conor.pesicka@state.co.us | |

Inspected Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status |
|-------------|------|--------|-------------|------------|-----------|---------------------|-------------|
| 113496 | PIT | | 09/30/1980 | | - | W.T. SPEARS #1-28DF | |
| 210532 | WELL | SI | 05/01/2012 | GW | 045-06288 | USA 1-28DF | SI |

General Comment:

This is a summary of inspection report performed by Mike Longworth at MARALEX RESOURCES INC, USA-67S99W 28SENW, Location # 322450
During this inspection the following possible compliance issues were observed:
No current MIT on record or delinquent as required by Rule 326
No label on tank. Berm not maintained.
Unused open ended risers. Burned vegetation and weeds from Pine Gulch Fire.
Fence post were burned up in Pine Gulch Fire.
Bradenhead inaccessible or not visible.
A follow up on this site inspection will be conducted to ensure the compliance issues have been corrected to comply with COGCC rules.

| Location | | | |
|--|--|--------|------------------|
| Lease Road: | | | |
| Type | Access | | |
| comment: | Location accessed via private ranch. | | |
| Corrective Action | | | Date: |
| Overall Good: <input checked="" type="checkbox"/> | | | |
| Signs/Marker: | | | |
| Type | BATTERY | | |
| Comment: | | | |
| Corrective Action: | | | Date: |
| Type | TANK LABELS/PLACARDS | | |
| Comment: | No label on tank. Berm not maintained. | | |
| Corrective Action: | Install sign to comply with rule 210. | | Date: 07/01/2016 |
| Emergency Contact Number: | | | |
| Comment: | 911 | | |
| Corrective Action: | | | Date: _____ |
| Good Housekeeping: | | | |
| Type | WEEDS | | |
| Comment: | Burned vegetation and weeds from Pine Gulch Fire. | | |
| Corrective Action: | Comply with Rule 603.f | | Date: 07/01/2016 |
| Type | UNUSED EQUIPMENT | | |
| Comment: | Unused open ended risers | | |
| Corrective Action: | Complete flowline and crude oil transfer line abandonments to comply with Rule 1105. Comply with Rule 603.f | | Date: 05/01/2019 |
| Overall Good: <input type="checkbox"/> | | | |
| Spills: | | | |
| Type | Area | Volume | |
| In Containment: No | | | |
| Comment: | | | |
| <input type="checkbox"/> Multiple Spills and Releases? | | | |
| Fencing/: | | | |
| Type | PIT | | |
| Comment: | Fence post were burned up in Pine Gulch Fire. | | |
| Corrective Action: | Repair fence. | | Date: 04/10/2021 |
| Type | WELLHEAD | | |
| Comment: | | | |
| Corrective Action: | | | Date: |
| Equipment: | | | |
| Type: Bird Protectors | # 2 | | corrective date |
| Comment: | | | |

| | | | |
|---------------------------------|---|-------|------------|
| Corrective Action: | | Date: | |
| Type: Bradenhead | # | | |
| Comment: | Bradenhead inaccessible or not visible | | |
| Corrective Action: | Install appropriate fittings to allow bradenhead visual inspection as per Rule 419.a.(1), (2) | Date: | 04/07/2021 |
| Type: Vertical Heated Separator | # 1 | | |
| Comment: | | | |
| Corrective Action: | | Date: | |

Tanks and Berms:

| Contents | # | Capacity | Type | Tank ID | SE GPS |
|--------------------|---|----------|----------------|---------|--------|
| | 1 | <50 BBLs | PBV FIBERGLASS | | |
| Comment: | | | | | |
| Corrective Action: | | | | | Date: |

Paint

| | | |
|------------------|------------|--|
| Condition | Inadequate | |
| Other (Content) | | |
| Other (Capacity) | | |
| Other (Type) | | |

Berms

| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance |
|--------------------|---|---------------------|---------------------|-------------|
| Earth | Inadequate | Walls Insufficient | Base Insufficient | Inadequate |
| Comment: | Containment berm is not maintained. | | | |
| Corrective Action: | Location is within a designated setback location, repair or install berms or other secondary containment devices per Rule 604.c.(2)G. | | | Date: |

Venting:

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

Flaring:

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

Inspected Facilities

Facility ID: 113496 Type: PIT API Number: - Status: Insp. Status:

Facility ID: 210532 Type: WELL API Number: 045-06288 Status: SI Insp. Status: SI

Idle Well

Purpose: Shut In Temporarily Abandoned Reminder: _____

Comment: No current MIT on record or delinquent as required by Rule 326

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

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 |
|------------------|-----------------|-------------------------|-----------------------|---------------|--------------------------|---------|
| | | | | | | |

Comment:

Corrective Action:

Date: _____

Pits: NO SURFACE INDICATION OF PIT

Type: Skimming/Settling Lined: NO Pit ID: 113496 Lat: 39.419097 Long: -108.449836

Reference Point: _____ Other: _____ Length: _____ Width: _____

Lining:

Liner Type: _____ Liner Condition: _____

Comment:

Corrective Action

Date: _____

Fencing:

Fencing Type: _____ Fencing Condition: Inadequate

Comment:

Corrective Action

Date: _____

Netting:

Netting Type: _____ Netting Condition: _____

Comment:

Corrective Action

Date: _____

Anchor Trench Present: _____ Oil Accumulation: _____ 2+ feet Freeboard: YES

Comment:

Corrective Action

Date: _____

Attached Documents

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

| Document Num | Description | URL |
|--------------|--------------------------------|---|
| 402641116 | INSPECTION SUBMITTED | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5387152 |
| 701101329 | Inspection 701101320 photo log | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5387150 |