

**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:

08/29/2023

Submitted Date:

09/05/2023

Document Number:

700300669

**FIELD INSPECTION FORM**

Loc ID 306805 Inspector Name: LABOWSKIE, STEVE 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:**

- 15 Number of Comments
- 8 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
O'Hare, Mickey	(970) 563-4000/ (719) 429-3529	amohare@maralexinc.com	<a href="#">All Inspections</a>
,	970-563-4000	maralextech@gmail.com	<a href="#">All Inspections</a>
, O'hare		mollieo@maralexinc.com	<a href="#">San Juan inspections</a>

**Inspected Facilities:**

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
267561	WELL	PR	08/05/2003	CBM	067-08800	MOLLIE CORYNNE 33-7-2 2A	TA
440997	WELL	AP	05/16/2022	LO	067-09925	Mollie Corynne 33-7-2 3C	DG

**General Comment:**

Follow-up inspection to previous FIR doc # 70030665 on 8/29 & 30/2023. Fluids no longer going onto road and roadisde ditch or adjacent field. Produced water tanks are labeled. Tanks still appear to have leaks and bare spots with visible coorrosion, standing water below valves and around bases.

Coirrective action to install secondary containment not performed.

Corrective action to submit written spill contingency plan not performed.

Corrective action to install vehicle tracking BMPs not performed.

Corrective actio to train employees and contractors in spill response and prevention, maintenance and clean up and employ not perofrmed.

Corrective action to respond to corrective actions via FIRR Form not performed.

**Location**

Overall Good:

**Signs/Marker:**

Type	WELLHEAD		
Comment:	producing well		
Corrective Action:		Date:	
Type	DRILLING/RECOMP		
Comment:			
Corrective Action:		Date:	
Type	TANK LABELS/PLACARDS		
Comment:	tanks now labeled and placard as "produced water", corrective action from previous inspection doc# 700300665 completed.		
Corrective Action:		Date:	

**Emergency Contact Number:**

Comment:	Called 970-563-4000 afternoon 8/30/23, phone was answered by receptionist. Message was taken from Compliance Supervisor who wanted to speak to someone with operational authority over the drilling operations about issues that had been observed recently. No call was returned was returned on 8/30 or thereafter.		
Corrective Action:	Fully comply with Rule 605.a by having calls returned by someone with knowledge of operations and operational authority.	Date:	_____

**Good Housekeeping:**

Type	OTHER		
Comment:	Impacted material still present at wellhead of 067-08800		
Corrective Action:	clean up impacted material at wellhead of 067-08800	Date:	06/07/2023

Overall Good:

**Spills:**

Type	Area	Volume		
Produced Water	Tank			
Comment:	All tanks now labeled as produced water, there is still standing free fluids in area immediately around north and west side of tanks, an earthen pile/berm has been placed on north side of tanks, no secondary containment.			
Corrective Action:	Stop leaks, clean up free fluids, file spill report		Date:	08/24/2023
Other				
Comment:				
Corrective Action:	File spill report		Date:	08/24/2023

In Containment: No

Comment: See previous FIR doc #s, SW EPS stated that operator has contacted him by phone and as of 9/5/23 no Form 19s have been submitted.

Multiple Spills and Releases?

**Tanks and Berms:**

Contents	#	Capacity	Type	Tank ID	SE GPS
PRODUCED WATER	5	400 BBLS	STEEL AST		
Comment:	No operator reply by FIRR, tank conditions appear similar as in other inspections.				

Corrective Action:	inspect, repair, maintain and paint (for condition, not visual impact) tanks and valves per Rule 609, 608.e and 608.g and 1002.f.  Provide written spill contingency plan required by 608.g for all tanks including temporary tanks as FIRR  Submitt FIRR per Rule 210.b	Date:	07/21/2023
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**Paint**

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

**Berms**

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Comment:	tanks only partially bermed with loose, noit compacted earthen material			
Corrective Action:	Install secondary containment			Date:

**Venting:**

Yes/No	NO		
Comment:			
Corrective Action:			Date:

**Flaring:**

Type		
Comment:		
Corrective Action:		Date:

**Inspected Facilities**

Facility ID: 267561 Type: WELL API Number: 067-08800 Status: PR Insp. Status: TA

**Idle Well**

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

Comment:

Corrective Action:  Date: \_\_\_\_\_

**BradenHead**

Date of Last Brhd Test: 07/22/2022 Annual Brhd Completed? No

Last Brhd Test Results Initial Surf Csg Pressure: 0 Fluid Type: NONE

End Surf Csg Pressure: 0

Comment:

Corrective Action: perform and submit annual bradenhead test per Rules 419 and 420 Date: \_\_\_\_\_

Facility ID: 440997 Type: WELL API Number: 067-09925 Status: AP Insp. Status: DG

**Well Drilling**

**Rig:** Rig Name: \_\_\_\_\_ Pusher/Rig Manager: \_\_\_\_\_

Permit Posted: SATISFACTORY Access Sign: \_\_\_\_\_

**Well Control Equipment:**

Pipe Ram: YES Blind Ram: YES Hydril Type: YES

Pressure Test BOP: \_\_\_\_\_ Test Pressure PSI: \_\_\_\_\_ Safety Plan: \_\_\_\_\_

**Drill Fluids Management:**

Lined Pit: \_\_\_\_\_ Unlined Pit: \_\_\_\_\_ Closed Loop: YES Semi-Closed Loop: \_\_\_\_\_

Multi-Well: \_\_\_\_\_ Disposal Location: \_\_\_\_\_

Comment:

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
				Vehicle Tracking	Fail	corrective action not completed, still no pad/bmps
Gravel	Pass			Self Inspection	Fail	
				Spill Response	Fail	no materials observed in areas with spilled oils
Compaction	Pass			Material Handling And Spill Prevention	Fail	drilling materials spilled onto ground

**Comment:** Refined oils (hydraulic fluid, motor oil) observed leaking from equipment such as fork lift and loader while in use, spreading streams of oil and creating puddles when stopped, also observed oil on county road (see photos 6, 7, 8). BMPs such as maintaining equipment to prevent leaks or cleaning up spills not observed, conditions observed on 8/29 still present on 8/30. Previous inspection required actions regarding spill response and training crews in self inspection, spill response and clean up.

Broken sacks of drilling materials observed with materials observed on ground. Some pallets shrink wrap broken with no spill prevention, chemical totes observed without spill prevention (see photos 3, 12, 14).

**Corrective Action:** Install vehicle tracking pad or equivalent BMPs and stop tracking onto county road. Train crews and employ spill response measures to prevent any fluids migrating off site and chemical and material handling BMPs to prevent mixing of chemicals, materials and refined wastes such as motor oil, glycol and hydraulic fluid or impacting surface materials per Rule 1002.f

Install BMPs on portable toilets (staking down units and having adequate spill response on

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
403520404	INSPECTION SUBMITTED	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6241509">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6241509</a>
700300670	20230829 INSPECTION PHOTOS	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6241409">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6241409</a>