

**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:

10/01/2024

Submitted Date:

10/18/2024

Document Number:

700300753

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:

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

Findings:

- 16 Number of Comments
- 5 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
Bechtolt, Phoebe		pbechtolt@maralexinc.com	
, O'hare		mollieo@maralexinc.com	San Juan inspections

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	PR
440997	WELL	DG	08/16/2023	LO	067-09925	Mollie Corynne 33-7-2 3C	PR

General Comment:

On Oct 1, 2024 SW Compliance Supervisor Steve labowskie conducted a follow up inspection of 4/15/23 FIR doc# 70003718 of loc 306805. This document does not adress opoen spill reports, sampling and remediation plans. As of 10/15/2024 these conditions had not changed, additional photos of ongoing non-compliance are added individually in "attachment" section of report.

Drilluung related equipment has been removed. Large cuttings have been removed however coal fines and very fine drill cutting are still present in southwest area of pad and near 2C well.

MUffler on prime mover on pumping unit for 2A well is still emitng oily waste on ground as noted in previous oinspections.

Meter calibration record is still not present in either meter shed.

Tank has not been painted. Tank and equipment are not coimplaint with visual impact mitigation riules.

Tank is not abeled correctly and has contradictory labeling.

Muffler

Farm equipment is on interim reclamation area, north side of pad.

Location			
Overall Good: <input type="checkbox"/>			
Signs/Marker:			
Type	TANK LABELS/PLACARDS		
Comment:	NFPA label installed. Has "0" for flamability - no produced water from SJB coal wells is known by ECMC to qualify as a zero for flammability due to dissolved methane being released. Continued use of installed placard would required laboratory samples and analysis to demonstrate there is no methane and associated flamability.		
Corrective Action:			Date:
Type	TANK LABELS/PLACARDS		
Comment:	Tank has label near top which appears faded but is still clearly visible "DANGER FLAMMABLE CONDENSATE", see photo 14 in photo document		
Corrective Action:	Remove contradictory labeling and properly label and placard tank with contents, capacity and NFPA placard facing in a direction first responders would approach and visible/legible from at least 100'		Date:
Type	WELLHEAD		
Comment:			
Corrective Action:			Date:
Emergency Contact Number:			
Comment:			
Corrective Action:			Date: _____
Good Housekeeping:			
Type	OTHER		
Comment:	Agricultural equipment parked on north edge of pad/reclamtion area.		
Corrective Action:			Date:
Type	UNUSED EQUIPMENT		
Comment:	Parts near pumping units cited in FIR #700300718 have been removed, previous CA completed		
Corrective Action:			Date:
Type	OTHER		
Comment:	Impacted material around 2A wellhead has been removed. Puddles and evidence of prodiced water leaks remain at 2C wellhead and muffler on ground passing oil onto ground is ongoing.		
Corrective Action:			Date:
Overall Good: <input type="checkbox"/>			
Spills:			
Type	Area	Volume	
In Containment: No _____			
Comment:			
<input type="checkbox"/> Multiple Spills and Releases?			
Equipment:			
Type: Gas Meter Run	# 2		corrective date
Comment:	No calibration record observed for either wells gas meter. Previous correctioive action has not been performed and is still required, see photos 10 and 12 in photo document		
Corrective Action:	Comply with rule 429.j(2) by displaying record of annual meter calibration		Date:

Tanks and Berms:					
Contents	#	Capacity	Type	Tank ID	SE GPS
	1	300 BBLs	STEEL AST		37.186707,-107.571547
Comment:	Tank has exposed metal/areas missing paint. Paint is not a uniform color and not compliant with visual mitigation rules, see photos 13-18 in photo document.				
Corrective Action:	Inspect and paint tank. Note: tank and equipment must also comply with visual impact mitigation rule 425.a				Date: 06/23/2024
Paint					
Condition	Inadequate				
Other (Content)					
Other (Capacity)					
Other (Type)					
Berms					
Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance	
Other	Adequate		Base Sufficient		
Comment:	Earthen with synthetic liner. Edges of liner mostly exposed and near crest of berm, liner folded in areas				
Corrective Action:					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: PR

Producing Well

Comment:		
Corrective Action:		Date:

BradenHead

Date of Last Brhd Test: 10/26/2023 Annual Brhd Completed? Yes

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

End Surf Csg Pressure: 0

Comment:

Corrective Action: Date:

The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12

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

Producing Well

Comment:		
Corrective Action:		Date:

BradenHead

Date of Last Brhd Test: _____ Annual Brhd Completed? Yes

Last Brhd Test Results Initial Surf Csg Pressure: _____ Fluid Type: _____

End Surf Csg Pressure: _____

Comment: BH test completed 9/5/24

Corrective Action: Date:

The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12

Reclamation - Storm Water - Pit

Interim Reclamation:

Date Interim Reclamation Started: _____ Date Interim Reclamation Completed: _____

Land Use: IMPROVED PASTURE

Comment: Compaction of loose areas observed previously has increased, there is still a loose soil pile with possible wastes and cutting near 3C meter shed, see photo 11

1002 SITE PREPARATION AND STABILIZATION

1002a. FENCING _____

Comment

Corrective Action

Date _____

1002b. SOIL REMOVAL AND SEGREGATION _____

Comment

Corrective Action

Date _____

1002c. PROTECTION OF SOILS _____

Comment

Corrective Action

Date _____

1002E. SURFACE DISTURBANCE MINIMIZATION _____

Comment

Corrective Action

Date _____

1003a. Waste and Debris removed? In

Comment Equipment and debris cited in previous oinspection have been removed. Soil pile with what appears to be cuttings and fine material from drilling still present near 3C meter house, see photo 11. Coal fines and small cuttings mixed into location material observed in SW corner of location.

Corrective Action Ensure all cuttings, wastes and impacted material related to drilling is removed and properly disposed

Date _____

Unused or unneeded equipment onsite? Pass

Comment

Corrective Action

Date _____

Pit, cellars, rat holes and other bores closed? Pass

Comment

Corrective Action

Date _____

Guy line anchors marked? _____

Comment

Corrective Action

Date _____

1003b. Area no longer in use? _____ Production areas stabilized ? _____

1003c. Compacted areas have been cross ripped? _____

1003d. Drilling pit closed? _____ Subsidence over on drill pit? _____

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? _____ 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 _____

1003e. INTERIM VEGETATION TRANSECT

TRANSECT RESULTS OF DISTURBED AREA% _____

TRANSECT RESULTS OF REFERENCE AREA% _____

TOTAL % OF DESIRABLE VEGETATION COVER _____

VEGETATIVE COVER _____

1003 f. Weeds Noxious weeds? _____

Comment _____

Corrective Action _____

Date _____

Overall Interim Reclamation

Final Reclamation/ Abandoned Location:

Date Final Reclamation Started: _____ Date Final Reclamation Completed: _____

Final Land Use: IMPROVED PASTURE _____

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 _____

1004.d. FINAL VEGETATION TRANSECT

TRANSECT RESULTS OF DISTURBED AREA% _____

TRANSECT RESULTS OF REFERENCE AREA% _____

TOTAL % OF DESIRABLE VEGETATION COVER _____

VEGETATIVE COVER _____

Comment: _____

Corrective Action: _____

Date _____

Overall Final Reclamation _____ Well Release on Active Location Multi-Well Location

Storm Water:

Loc Erosion BMPs	BMP Maintenance	Lease Road Erosion BMPs	Lease BMP Maintenance	Chemical BMPs	Chemical BMP Maintenance	Comment
Berms	In Process			Spill Response	Fail	2A muffler leak
Compaction	In Process			Self Inspection	Fail	2A muffler leak

Comment: Muffler observed still on ground and leaking oily wastes without proper spill response or prevention. Location berms are not fully compacted

Corrective Action: Train employess and contractors and employ spill response measures and material handling BMPs. Properly compact location berms.

Date: _____

Pits: NO SURFACE INDICATION OF PIT

Attached Documents

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

Document Num	Description	URL
700300755	INSPECTION PHOTOS	https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6752892
700300757	10/15/24 no calibration record 2A well	https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6752893
700300758	10/15/24 no calibration record 3C well	https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6752894
700300759	10/15/24 tank paint, labeling and NFPA placard	https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6752895
700300760	10/15/24 2A muffler leak	https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6752896