

**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: ☐**Operator Information:**ECMC 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:**16 Number of Comments5 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	<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	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, additonal photos of ongoing non-compliance are added individually in "attachment" section of report.

Drillluing 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 emititng 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: ☐

<b>Signs/Marker:</b>			
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/reclamation 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 produced water leaks remain at 2C wellhead and muffler on ground passing oil onto ground is ongoing.		
Corrective Action:		Date:	

Overall Good: ☐

<b>Spills:</b>				
Type	Area	Volume		
In Containment: No _____				
Comment: _____				
<input type="checkbox"/> Multiple Spills and Releases?				

<b>Equipment:</b>			corrective date
Type: Gas Meter Run	# 2		
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? InComment Equipment and debris cited in previous inspection 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	<a href="https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6752892">https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6752892</a>
700300757	10/15/24 no calibration record 2A well	<a href="https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6752893">https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6752893</a>
700300758	10/15/24 no calibration record 3C well	<a href="https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6752894">https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6752894</a>
700300759	10/15/24 tank paint, labeling and NFPA placard	<a href="https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6752895">https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6752895</a>
700300760	10/15/24 2A muffler leak	<a href="https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6752896">https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6752896</a>