

**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:

09/06/2023

Submitted Date:

09/06/2023

Document Number:

695108632

FIELD INSPECTION FORM

Loc ID 424701 Inspector Name: Beardslee, Tom On-Site Inspection ☐ 2A Doc Num: _____

Operator Information:

OGCC Operator Number: 53255

Name of Operator: MARALEX RESOURCES INC

Address: P O BOX 338

City: 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 Comments

10 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 | | mollieo@maralexinc.com | San Juan inspections |
| , General | | Maralextech@gmail.com | All SW Inspections |
| O'Hare, Mickey | (970) 563-4000/ (719) 429-3529 | amohare@maralexinc.com | All Inspections |

Inspected Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status |
|-------------|------|--------|-------------|------------|-----------|------------------|-------------|
| 424697 | WELL | PR | 06/01/2012 | CBM | 067-09866 | KELSALL 33-7 4-1 | PR |
| 428042 | WELL | PR | 06/01/2013 | CBM | 067-09880 | KELSALL 33-7 4-4 | PR |
| 428043 | WELL | PR | 10/02/2012 | CBM | 067-09881 | KELSALL 33-7 4-2 | PR |
| 428044 | WELL | PR | 05/29/2013 | CBM | 067-09882 | KELSALL 33-7 4-3 | PR |

General Comment:

LocationOverall Good: ☒

| | | | |
|----------------------|--|-------|------------|
| Signs/Marker: | | | |
| Type | WELLHEAD | | |
| Comment: | PHOTO 4 & 5: WELLHEAD AND EQUIPMENT. NO WELL SIGN IDENTIFYING EACH WELL. | | |
| Corrective Action: | POST SIGN PER RULE 605 | Date: | 10/06/2023 |

Emergency Contact Number:

| | | |
|--------------------|--|-------------|
| Comment: | | |
| Corrective Action: | | Date: _____ |

Good Housekeeping:

| | | | |
|--------------------|--|-------|------------|
| Type | WEEDS | | |
| Comment: | PHOTO 6, 7 & 8: WEED MAINTENANCE AROUND PUMP JACKS. | | |
| Corrective Action: | MAINTIAN WEEDS PER RULE 606. | Date: | 10/06/2023 |
| Type | OTHER | | |
| Comment: | PHOTO 9: Produced water spill from the wellhead has left a salt/mineral impacted area around the wellhead. PHOTO 10: Oily waste appears to be from rod box impacting soil near wellhead. PHOTO 11: Oily waste appears to be from pump jack prime mover is impacting soil near prime mover. | | |
| Corrective Action: | Securely fasten all valves, pipes, fittings, and Production Facilities to ensure good mechanical condition, inspect at regular intervals and maintain in good mechanical condition and dispose of impacted materials per Rule 608.e. | Date: | 10/06/2023 |
| Type | WEEDS | | |
| Comment: | PHOTO 16: Noxious weeds ca from previous inspection appear to have been poisoned however they have been left on and around location. | | |
| Corrective Action: | Properly bag and dispose of noxious weeds per rule 1003. | Date: | 10/06/2023 |

Overall Good: ☐

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

Fencing/:

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

| | | | |
|-----------------------|-----|-------|-----------------|
| Equipment: | | | corrective date |
| Type: Bird Protectors | # 4 | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type: Pump Jack | # 4 | | |

| | | | |
|---------------------------|--|-------|------------|
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type: Bradenhead | # 4 | | |
| Comment: | all 4 are accessible | | |
| Corrective Action: | | Date: | |
| Type: Gas Meter Run | # 4 | | |
| Comment: | ALL FOUR CAL. REPORTS INDICATE GAS METERS HAVE BEEN CALIBRATED WITHIN THE LAST YEAR. | | |
| Corrective Action: | | Date: | |
| Type: Deadman # & Marked | # 10 | | |
| Comment: | PHOTO 14 & 15: There are several anchor markers down or missing throughout location. | | |
| Corrective Action: | Install proper guy line markers per Rule 1003.a | Date: | 10/06/2023 |
| Type: Ancillary equipment | # 4 | | |
| Comment: | | | |
| Corrective Action: | | Date: | |

Tanks and Berms:

| | | | | | | |
|--------------------|---|----------|-----------|---------|-----------------------|-------|
| Contents | # | Capacity | Type | Tank ID | SE GPS | |
| CRUDE OIL | 2 | 300 BBLS | STEEL AST | | 37.136820,-107.614080 | |
| Comment: | | | | | | |
| Corrective Action: | | | | | | Date: |

Paint

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

Berms

| | | | | |
|--------------------|---|---------------------|---------------------|-------------|
| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance |
| Earth | Adequate | Walls Sufficient | Base Sufficient | Adequate |
| Comment: | PHOTO 12 & 13: Tall weeds on and inside berms. | | | |
| Corrective Action: | Maintain berms/ remove weeds along with there root structures per rule 605.a. | | | |
| | | Date: | 10/06/2023 | |

Venting:

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

Flaring:

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

Inspected Facilities

Facility ID: 424697 Type: WELL API Number: 067-09866 Status: PR Insp. Status: PR

Producing WellComment: Corrective Action: Date: **BradenHead**Date of Last Brhd Test: 07/21/2022Annual Brhd Completed? NoLast Brhd Test Results Initial Surf Csg Pressure: 3 Fluid Type: NONEEnd Surf Csg Pressure: 0Comment: ANNUAL BRHD TEST HAS NOT BEEN REPORTED.10/06/2023Corrective Action: FILE REPORTS PER RULE 419Date:

Facility ID: 428042 Type: WELL API Number: 067-09880 Status: PR Insp. Status: PR

Producing WellComment: Corrective Action: Date: **BradenHead**Date of Last Brhd Test: 07/26/2022Annual Brhd Completed? NoLast Brhd Test Results Initial Surf Csg Pressure: 0 Fluid Type: NONEEnd Surf Csg Pressure: 0Comment: ANNUAL BRHD TEST HAS NOT BEEN REPORTED.10/06/2023Corrective Action: FILE REPORTS PER RULE 419Date:

Facility ID: 428043 Type: WELL API Number: 067-09881 Status: PR Insp. Status: PR

Producing WellComment: Corrective Action: Date: **BradenHead**Date of Last Brhd Test: 07/19/2022Annual Brhd Completed? NoLast Brhd Test Results Initial Surf Csg Pressure: 9 Fluid Type: NONEEnd Surf Csg Pressure: 0Comment: ANNUAL BRHD TEST HAS NOT BEEN REPORTED.10/06/2023Corrective Action: FILE REPORTS PER RULE 419Date:

Facility ID: 428044 Type: WELL API Number: 067-09882 Status: PR Insp. Status: PR

Producing WellComment: Corrective Action: Date:

| | | | |
|--|--|--------------------------------|------------------|
| BradenHead | | | |
| Date of Last Brhd Test: 07/28/2022 | | Annual Brhd Completed? No | |
| Last Brhd Test Results | | Initial Surf Csg Pressure: 114 | Fluid Type: NONE |
| | | End Surf Csg Pressure: 0 | |
| Comment: ANNUAL BRHD TEST HAS NOT BEEN REPORTED. | | | 10/06/2023 |
| Corrective Action: FILE REPORTS PER RULE 419 | | | 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 |
|------------------|-----------------|-------------------------|-----------------------|---------------|--------------------------|---------|
| Compaction | Pass | Compaction | Pass | | | |
| Gravel | Pass | Gravel | Pass | | | |

Comment: Corrective Action: 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 |
|--------------|----------------------|---|
| 403527964 | INSPECTION SUBMITTED | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6248998 |
| 695108633 | INSP. PHOTOS | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6248983 |