

**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:

07/30/2024

Submitted Date:

07/29/2024

Document Number:

693807523**FIELD INSPECTION FORM**Loc ID: 334299 Inspector Name: BROWNING, CHUCK On-Site Inspection: ☐ 2A Doc Num: **Operator Information:**ECMC Operator Number: 10453Name of Operator: PARADOX UPSTREAM LLCAddress: 500 DALLAS ST SUITE #1650City: HOUSTON State: TX Zip: 77002**Status Summary:**☐ THIS IS A FOLLOW UP INSPECTION☒ FOLLOW UP INSPECTION REQUIRED☐ NO FOLLOW UP INSPECTION REQUIRED**Findings:**14 Number of Comments7 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
Labowskie, Steve		steve.labowskie@state.co.us	
Gavito, Danielle	303-524-4651	dgavito@americanhelium.us	
Hankins, Neil	970-428-2742	nhankins@americanhelium.us	All Inspections
Browning, Chuck	970-433-4139	chuck.browning@state.co.us	Field Inspector
Roberts, Jake		jroberts@americanhelium.us	All Inspections

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
266681	WELL	SI	11/01/2023	GW	113-06123	HAMILTON CREEK STATE 36-41	SI
282322	WELL	PR	09/01/2017	GW	113-06203	HC STATE 36-31-45-15	PR
282323	WELL	SI	11/01/2021	GW	113-06204	HC STATE 36-42-45-15	SI

General Comment:[ECMC staff performed a routine field inspection on 7/23/2024.](#)[Issues were found requiring corrective action. See inspection text and photos for details.](#)[Any Corrective Actions from previous inspections that have not been addressed are still applicable.](#)

Location**Lease Road:**

Type	Access		
comment:			
Corrective ActionL		Date:	
Type	Main		
comment:			
Corrective ActionL		Date:	

Overall Good: ☒**Signs/Marker:**

Type	TANK LABELS/PLACARDS		
Comment:	Sign or label not posted or information inaccurate on tanks or containers or sign/label too small to read at distance or installed in place where not visible.		
Corrective Action:	Install sign to comply with Rule 605.h.	Date:	08/30/2024
Type	WELLHEAD		
Comment:			
Corrective Action:		Date:	

Emergency Contact Number:

Comment:	435-630-2239 Wrong Emergency contact number.		
Corrective Action:	Install sign to comply with Rule 605.d.	Date:	08/30/2024

Overall Good: ☒**Spills:**

Type	Area	Volume		
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In Containment: No

Comment: ☐ Multiple Spills and Releases?**Fencing/:**

Type	WELLHEAD		
Comment:	Panel fence		
Corrective Action:		Date:	
Type	SEPARATOR		
Comment:	Pipe barricade		
Corrective Action:		Date:	

Equipment:

Type: Bird Protectors	# 3		corrective date
Comment:			
Corrective Action:		Date:	
Type: Gas Meter Run	# 3		
Comment:	Gas meter calibration record not legible or conspicuously displayed at meter.		

Corrective Action:	Display legible meter calibration record in conspicuous location to comply with rule 430.d.(2).		Date:	08/10/2024
Type: Deadman # & Marked	# 6			
Comment:				
Corrective Action:			Date:	
Type: Bradenhead	# 3			
Comment:				
Corrective Action:			Date:	
Type: Horizontal Heated Separator	# 3			
Comment:				
Corrective Action:			Date:	
Type: Plunger Lift	# 3			
Comment:				
Corrective Action:			Date:	

Tanks and Berms:

Contents	#	Capacity	Type	Tank ID	SE GPS	
OTHER	1	<50 BBLS	PLASTIC AST		,	
Comment:	Fresh water tank inside housing					
Corrective Action:					Date:	

Paint

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

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance	
Metal	Adequate	Walls Sufficent	Base Sufficient	Adequate	
Comment:					
Corrective Action:				Date:	

Contents	#	Capacity	Type	Tank ID	SE GPS	
PRODUCED WATER	3	300 BBLS	STEEL AST		38.103780,-108.478924	
Comment:	Tanks are rusted , pitted, or peeling paint, or show evidence of inadequate repair.					
Corrective Action:	Inspect, maintain and repair tanks to comply with rule 609.b.				Date:	08/30/2024

Paint

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

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
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Metal	Adequate	Walls Sufficent	Base Sufficient	Adequate	
Comment:					
Corrective Action:					Date:

Venting:

Yes/No	NO		
Comment:			
Corrective Action:			Date:

Flaring:

Type			
Comment:			
Corrective Action:			Date:

Inspected Facilities

Facility ID: 266681 Type: WELL API Number: 113-06123 Status: SI Insp. Status: SI

Idle Well

Purpose: ☒ Shut In ☐ Temporarily Abandoned

Reminder: _____

Comment: Well shut in 1/1/2019.
Well is overdue for Mechanical Integrity Test. MIT requires 10-day notification via Form 42. Well plugging requires an approved Form 6 Intent to Abandon to Plug Well.

Corrective Action: Produce well after performing successful mechanical integrity test per Rule 417 or plug well. To maintain shut-in status, the well must be able to demonstrate ability to produce without mechanical intervention.

Date: 08/30/2024

BradenHead

Date of Last Brhd Test: 11/07/2023 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: 282322 Type: WELL API Number: 113-06203 Status: PR Insp. Status: PR

Producing Well

Comment: Producing - plunger lift

Corrective Action: Wells shall be shut in immediately. By Order 1v-937 Paradox Upstream LLC right to conduct oil and gas operations in Colorado has been revoked. Paradox is no longer authorized to sell or transport produced hydrocarbons from any of its wells. The well must be shut-in until an approved operator has obtained the appropriate authorization to operate this well. Specifically, the well must be transferred to an approved on an approved Form 9. In addition, The approved operator must submit a Form 3, Financial Assurance Plan, and a Form 10, Certificate of Clearance.

Date: 07/29/2024

BradenHead

Date of Last Brhd Test: 11/07/2023 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: 282323 Type: WELL API Number: 113-06204 Status: SI Insp. Status: SI

Idle Well

Purpose: ☒ Shut In ☐ Temporarily Abandoned

Reminder: _____

Comment: Well shut in 11/1/2021.
Well is overdue for Mechanical Integrity Test. MIT requires 10-day notification via Form 42. Well plugging requires an approved Form 6 Intent to Abandon to Plug Well.

Corrective Action: Produce well after performing successful mechanical integrity test per Rule 417 or plug well. To maintain shut-in status, the well must be able to demonstrate ability to produce without mechanical intervention.

Date: 08/30/2024

BradenHead			
Date of Last Brhd Test: 05/15/2023		Annual Brhd Completed? No	
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

Reclamation - Storm Water - Pit

Storm Water:

Loc Erosion BMPs	BMP Maintenance	Lease Road Erosion BMPs	Lease BMP Maintenance	Chemical BMPs	Chemical BMP Maintenance	Comment
Gravel	Pass	Gravel	Pass			

Comment:

Corrective Action:

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
693807524	Inspection photos 7/23/2024	https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6642772