

**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:

07/23/2024

Submitted Date:

07/29/2024

Document Number:

693807519

FIELD INSPECTION FORM

Loc ID 316850 Inspector Name: BROWNING, CHUCK On-Site Inspection 2A Doc Num: _____

Status Summary:

THIS IS A FOLLOW UP INSPECTION

FOLLOW UP INSPECTION REQUIRED

NO FOLLOW UP INSPECTION REQUIRED

Findings:

10 Number of Comments

4 Number of Corrective Actions

Corrective Action Response Requested

Operator Information:

ECMC Operator Number: 10453

Name of Operator: PARADOX UPSTREAM LLC

Address: 500 DALLAS ST SUITE #1650

City: HOUSTON State: TX Zip: 77002

ANY CORRECTIVE ACTION(S) FROM PREVIOUS INSPECTIONS THAT HAVE NOT BEEN ADDRESSED ARE STILL APPLICABLE

Contact Information:

| Contact Name | Phone | Email | Comment |
|------------------|--------------|-----------------------------|---------------------------------|
| Hankins, Neil | 970-428-2742 | nhankins@americanhelium.us | All Inspections |
| Gavito, Danielle | 303-524-4651 | dgavito@americanhelium.us | |
| Roberts, Jake | | jroberts@americanhelium.us | All Inspections |
| Browning, Chuck | 970-433-4139 | chuck.browning@state.co.us | Field Inspector |
| Labowskie, Steve | | steve.labowskie@state.co.us | |

Inspected Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status |
|-------------|------|--------|-------------|------------|-----------|----------------------------|-------------|
| 273283 | WELL | PR | 08/23/2005 | GW | 113-06152 | HAMILTON CREEK STATE 36-34 | PR |

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 | Main | | |
| comment: | | | |
| Corrective Action | | Date: | |
| Type | Access | | |
| comment: | | | |
| Corrective Action | | Date: | |
| Overall Good: <input checked="" type="checkbox"/> | | | |
| 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: | 08/24/2024 |
| Type | WELLHEAD | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Emergency Contact Number: | | | |
| Comment: | 435-587-2237 Wrong Emergency contact number | | |
| Corrective Action: | Install sign to comply with Rule 605.d. | Date: | 08/30/2024 |
| Overall Good: <input checked="" type="checkbox"/> | | | |
| Spills: | | | |
| Type | Area | Volume | |
| In Containment: No | | | |
| Comment: | | | |
| <input type="checkbox"/> Multiple Spills and Releases? | | | |
| Fencing/: | | | |
| Type | WELLHEAD | | |
| Comment: | Panel fence | | |
| Corrective Action: | | Date: | |
| Type | SEPARATOR | | |
| Comment: | Pipe barricade | | |
| Corrective Action: | | Date: | |
| Equipment: | | | |
| Type: Bradenhead | # 1 | | corrective date |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type: Horizontal Heated Separator | # 1 | | |
| Comment: | | | |

| | | | |
|--------------------------|---|-------|------------|
| Corrective Action: | | Date: | |
| Type: Gas Meter Run | # 1 | | |
| 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 | # 4 | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type: Plunger Lift | # 1 | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type: Bird Protectors | # 1 | | |
| Comment: | | | |
| Corrective Action: | | Date: | |

Tanks and Berms:

| Contents | # | Capacity | Type | Tank ID | SE GPS |
|--------------------|---|----------|-----------|---------|-----------------------|
| PRODUCED WATER | 2 | 400 BBLs | STEEL AST | | 38.107664,-108.465965 |
| Comment: | | | | | |
| Corrective Action: | | | | | Date: |

Paint

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

Berms

| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance |
|--------------------|----------|---------------------|---------------------|-------------|
| Metal | Adequate | Walls Sufficient | 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: 273283 Type: WELL API Number: 113-06152 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: 07/28/2024

BradenHead

Date of Last Brhd Test: 11/06/2023 Annual Brhd Completed? Yes

Last Brhd Test Results Initial Surf Csg Pressure: 18 Fluid Type: VAPOR

End Surf Csg Pressure: 043

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 |
|--------------|-----------------------------|---|
| 403868981 | INSPECTION SUBMITTED | https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6642790 |
| 693807520 | Inspection photos 7/23/2024 | https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6642770 |