

**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:

08/02/2024

Document Number:

693807562**FIELD INSPECTION FORM**Loc ID 316872 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:**16 Number of Comments9 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
Gavito, Danielle	303-524-4651	dgavito@americanhelium.us	
Hankins, Neil	970-428-2742	nhankins@americanhelium.us	All Inspections
Labowskie, Steve		steve.labowskie@state.co.us	
Demarco, Jaime		jdemarco@blm.gov	
Hartman, Laura		lhartman@blm.gov	
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
288131	WELL	PR	03/01/2020	GW	113-06226	HC FED 30-23-45 14	PR

General Comment:[ECMC staff performed a routine field inspection on 7/30/2024.](#)[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 Action	L	Date:	
Type	Main		
comment:			
Corrective Action	L	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:	09/02/2024
Type	WELLHEAD		
Comment:	Sign on meter housing. Sign not legible		
Corrective Action:	Corrective Action: Install sign to comply with Rule 605.g.	Date:	09/02/2024

Emergency Contact Number:		
Comment:	No Emergency contact number	
Corrective Action:	Install sign to comply with Rule 605.d.	Date: 09/02/2024

Overall Good: ☒

Spills:				
Type	Area	Volume		

In Containment: No

Comment: ☐ Multiple Spills and Releases?

Fencing/:			
Type	WELLHEAD		
Comment:	Panel fence		
Corrective Action:		Date:	

Equipment:			corrective date
Type: Bird Protectors	# 1		
Comment:			
Corrective Action:		Date:	
Type: Bradenhead	# 1		
Comment:			
Corrective Action:		Date:	
Type: FWKO	# 1		

Comment:		
Corrective Action:		Date:
Type: Horizontal Heated Separator	# 1	
Comment:		
Corrective Action:		Date:
Type: Plunger Lift	# 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: 08/13/2024
Type: Deadman # & Marked	# 4	
Comment:		
Corrective Action:		Date:

Tanks and Berms:

Contents	#	Capacity	Type	Tank ID	SE GPS
OTHER	1	<100 BBLS	STEEL AST		38.123506,-108.456593
Comment:	Fresh water				
Corrective Action:					Date:

Paint

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

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance	
Comment:					
Corrective Action:				Date:	
Contents	#	Capacity	Type	Tank ID	SE GPS
PRODUCED WATER	1	400 BBLS	STEEL AST		38.123124,-108.456496
Comment:	Tank rusted out. 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: 09/02/2024

Paint

Condition	
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:		
Contents	#	Capacity	Type	Tank ID	SE GPS	
PRODUCED WATER	1	<100 BBLs	STEEL AST		38.123769,-108.456477	
Comment:				Tanks are rusted , pitted, or peeling paint, or show evidence of inadequate repair. Gauge hatch open or not sealed.		
Corrective Action:				Inspect, maintain and repair tanks to comply with rule 609.b. Close and seal gauge hatches when not accessing tank per Rule 608.a.(9).		Date: 08/03/2024

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

Berms				
Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Earth	Inadequate			Inadequate
Comment:				Secondary containment is inadequate to contain 150% of the volume of the largest tank.
Corrective Action:				Repair or install berms or other secondary containment devices per Rule 603.o. Date: 09/02/2024

Venting:			
Yes/No	YES		
Comment:	Tank hatch open and venting. See Optical Gas Imaging section.		
Corrective Action:		Date:	

Flaring:	
Type	
Comment:	
Corrective Action:	Date:

Inspected Facilities									
Facility ID:	288131	Type:	WELL	API Number:	113-06226	Status:	PR	Insp. Status:	PR
Producing Well									
Comment:	Plunger lift. 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.								
Corrective Action:	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:	07/30/2024	
BradenHead									
Date of Last Brhd Test:		11/08/2023		Annual Brhd Completed?		Yes			
Last Brhd Test Results		Initial Surf Csg Pressure:		24		Fluid Type:		VAPOR	
		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

Optical Gas Imaging Survey

Survey Type: Routine

Current Operations: ☒ Production ☐ Workover ☐ Flowback ☐ Referred to APCD

GPS(entrance of location): Lat: Long:

Wind: Light Speed: 5 (mph) Direction From: W Weather: Partly Temperature: 92 (F)

Assisting Staff: Camera #:

☐ Visible Smoke ☐ Referred to CDPHE

Times Surveyed

Time Survey Start	AM/PM	Time Survey End	AM/PM
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Equipment Surveyed

Equipment
Water Tank(s)
Separation Equipment
Wellhead(s)

Comment:

Gauge hatch open or not sealed.

Corrective Action:

Close and seal gauge hatches when not accessing tank per Rule 608.a.(9).

Date: 09/02/2024

Attached Documents

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

Document Num	Description	URL
403875796	INSPECTION SUBMITTED	https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6650262
693807563	Inspection photos 7/30/2024	https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6650240