

**FORM
INSP**

Rev
X/20

**State of Colorado
Energy and Carbon Management Commission**

1120 Lincoln Street, Suite 801, Denver, Colorado 80203
Phone: (303) 894-2100 Fax: (303) 894-2109



Inspection Date:

03/18/2026

Submitted Date:

03/30/2026

Document Number:

721100257

FIELD INSPECTION FORM

Loc ID: 322092 Inspector Name: Blair, Jamie On-Site Inspection: 2A Doc Num: _____

Status Summary:

- THIS IS A FOLLOW UP INSPECTION
- FOLLOW UP INSPECTION REQUIRED
- NO FOLLOW UP INSPECTION REQUIRED

Operator Information:

ECMC Operator Number: 10841
Name of Operator: AMERICAN HELIUM LLC
Address: 23501 CINCO RANCH BLVD, B244
City: KATY State: TX Zip: 77494

Findings:

- 22 Number of Comments
- 9 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
Hankins, Neil	970-428-2742	nhankins@americanhelium.us	All Inspections
Blair, Jamie		jamie.blair@state.co.us	
Frost, Joe	7137423642	jfrost@americanhelium.us	American Helium President
McDonough, Corey		corey.mcdonough@state.co.us	
Harrison, Trish		trish.harrison@coolskyenergy.com	
Labowskie, Steve		steve.labowskie@state.co.us	

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
208940	WELL	SI	01/01/2025	HE	033-06045	SQUAW CANYON-FEDERAL 2	TA

General Comment:

At 16:00 hours, on Wednesday, March 18, 2026, southwest compliance specialist Jamie Blair performed an idle well compliance inspection and audit. Several corrective actions were identified. The flow meter has been disconnected by removing a section of pipe on downstream side of meter and the well cannot readily be returned to production. Well is in physical state of temporary abandonment. See attachment section at end of report for link to download inspection photos. All previously unresolved corrective actions remain applicable.

This inspection was a follow-up to the following previous compliance unit inspection conducted by Tom Beardsley: Inspection #695110208 was conducted 09/07/2024. No corrective actions were completed except for updating the information on the we well location sign.

Location

Overall Good:

Signs/Marker:

Type	WELLHEAD		
Comment:	Location sign on meter run shed. Photo 1. Resolved CA from inspection DocNo #695110208.		
Corrective Action:		Date:	
Type	TANK LABELS/PLACARDS		
Comment:	all tanks have contents, capacity and NFPA diamond as required by 605.h. None marked as out of service.		
Corrective Action:		Date:	

Emergency Contact Number:

Comment:	24 hour = (435) 631-2239. Emergency = 911		
Corrective Action:		Date:	

Good Housekeeping:

Type	UNUSED EQUIPMENT		
Comment:	Crude oil tank offload pipe is not in service. Photo 12.		
Corrective Action:		Date:	
Type	WEEDS		
Comment:	Weedy conditions observed in previous inspection are still occurring across site. No FIRR on file for previous corrective action, it appears that no work was performed. CA unresolved from inspection doc #695110208. See photos.		
Corrective Action:	Comply with 606.c	Date:	09/07/2024

Overall Good:

Spills:

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

Fencing/:

Type			
Comment:			
Corrective Action:		Date:	

Equipment:

			corrective date
Type: Gas Meter Run	# 1		
Comment:	Is physically disconnected. Last date on calibration card 6/21/2018.		
Corrective Action:		Date:	
Type: Bradenhead	# 1		
Comment:	recently excavated.		
Corrective Action:		Date:	
Type: Deadman # & Marked	# 3		

Comment:			
Corrective Action:			Date:
Type: Horizontal Heated Separator	# 1		
Comment:			
Corrective Action:			Date:
Type: Other	# 1		
Comment:	Wellhead. Chained shut.		
Corrective Action:			Date:
Type: Bird Protectors	# 2		
Comment:			
Corrective Action:			Date:
Type: Ancillary equipment	# 1		
Comment:	solar telemetry on meter run shed.		
Corrective Action:			Date:
Type: Plunger Lift	# 1		
Comment:			
Corrective Action:			Date:
Type: Flow Line	# 2		
Comment:	Flow line disconnected by meter run. Photo 3, 4. Flow line riser near entrance. Photo 24. Risers are bull plugged which is considered locked.		
Corrective Action:	Apply "OOSLAT" to comply with Rule 1105.		Date: 04/30/2026

Tanks and Berms:

Contents	#	Capacity	Type	Tank ID	SE GPS
PRODUCED WATER	1	400 BBLs	STEEL AST		37.645630,-108.990299
Comment:	3 produced water tanks inside same berm. 400 BBL, 210 BBL, 210 BBL. Photos 8, 9, 10. Paint on tanks is inadequate and tanks appear to have corrosion. No FLIR camera was available at time of inspection observe whether venting is taking place, but no FIRR was submitted in response to venting CA inspection DocNo #695110208 from 09/07/2024 so presumably Corrective Action remains unresolved. If operator intends to place tanks in out-of-service status, they must comply with 609.c, and referenced API recommended practices 650 and 12d.				
Corrective Action:	Inspect, maintain and equipment (produced water tank) in good mechanical condition at regular intervals to comply with 608.a.				Date: 04/30/2026

Paint

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

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Earth	Adequate	Walls Insufficient	Base Insufficient	Inadequate

Comment:		Inside single berm with 2 other produced water tanks. Berms are weathered. Tall vegetation growing inside and on walls.				Date:		04/30/2026
Corrective Action:		For all tanks not designated as out of service maintain secondary containment per rule 608.a and 605.a(4) - old rules.				Date:		04/30/2026
Contents	#	Capacity	Type	Tank ID	SE GPS			
PRODUCED WATER	2	OTHER	STEEL AST					
Comment:		Thief hatch is open on southernmost tank. Paint is inadequate and tank appears corroded. Shares berms with 2 other produced water tanks.				Date:		04/30/2026
Corrective Action:		Inspect, maintain and equipoment (produced water tank) in good mechanical condition at regular intervals Close and latch thief hatch per 608.a.(9) or 608.a.(13) to prevent wildlife to prevent wildlife entry including birds and bats. OR Designate tanks as out of service per 609.c.				Date:		04/30/2026

Paint

Condition	Inadequate						
Other (Content)							
Other (Capacity)	210 BBL.						
Other (Type)							

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance				
Earth	Adequate	Walls Insufficient	Base Insufficient	Inadequate				
Comment:		Berm is shared with other tank.				Date:		04/30/2026
Corrective Action:		Same as other tank/berm				Date:		04/30/2026
Contents	#	Capacity	Type	Tank ID	SE GPS			
CRUDE OIL	2	400 BBLs	STEEL AST		37.645321,-108.990296			
Comment:		Both tanks inside same berm. Paint is inadequate and condition appears corroded. If operator indtends to place tanks in out-of-service status, they must comply with 609.c, and referenced API recommended practices 650 and 12d.				Date:		04/30/2026
Corrective Action:		Inspect, maintain and equipment in good mechanical condition at regular intervals to comply with 608.a. OR Designate as out of service per 609.c rules and comply with out of service tank rules.				Date:		04/30/2026

Paint

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

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance				
Earth	Adequate	Walls Insufficient	Base Insufficient	Inadequate				
Comment:		Walls eroding, udesirable vegetation rooted inside berm, animal burrows inside berm. Photos 13, 14, 25, 16, 17, 18.				Date:		04/30/2026
Corrective Action:		For all tanks not designated as out of service maintain secondary containment per rule 608.a and 605.a(4) - old rules.				Date:		04/30/2026

Venting:

Yes/No	NO		
Comment:			
Corrective Action:		Date:	

Flaring:

Type			
Comment:			
Corrective Action:		Date:	

Inspected Facilities

Facility ID: 208940 Type: WELL API Number: 033-06045 Status: SI Insp. Status: TA

Idle Well

Purpose: Shut In Temporarily Abandoned Reminder: _____

Comment: Meter run is physically disconnected from flow-line to well head. The well is unable to be readily returned to production. Well has been temporarily abandoned. Photos 3, 4, 21. No MIT has been performed. No Form 21 in well file. Operator is reporting well as shut-in.

A corrective action for no MIT on 09/07/2024 was submitted in inspection #695110208 by Tom Beardsley.

Corrective Action: "Submitted Form 21, or Form 6 must be approved by the corrective action date for any wellbore not demonstrating current mechanical integrity. Wells demonstrating mechanical integrity must accomplish production without the use of mechanical intervention per rule 417.b. 10 day notice via form 42 is required for all MIT's." Corrective action date was 09/07/2024.

Correctly report well as temporarily abandoned in subsequent Form 7 submissions. Last quarterly operations report was 11/01/2025.

Date: 09/07/2024

BradenHead

Date of Last Brhd Test: 03/03/2026 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

Reclamation - Storm Water - Pit

Storm Water:

Loc Erosion BMPs	BMP Maintenance	Lease Road Erosion BMPs	Lease BMP Maintenance	Chemical BMPs	Chemical BMP Maintenance	Comment
Berms	Pass					
Compaction	Pass	Compaction	Pass			

Comment:

Corrective Action:

Date: _____

Pits: NO SURFACE INDICATION OF PIT

ECMC Comments

Comment	User	Date
Well is in state of temporary abandonment. Several corrective actions observed pertaining to undesirable vegetation, tank and berm conditions, well status, MIT requirements. Corrective actions from previous inspection #695110208 (8/27/2024) remain uresolved except for Well Location Sign Information, which has been updated. Corrective actions from 714001811 (2/11/2025) remain unresolved. See attached photos.	blairj1	03/18/2026

Attached Documents

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

Document Num	Description	URL
404600533	INSPECTION SUBMITTED	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=7497906
721100284	photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=7497904