

**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:

12/08/2021

Submitted Date:

12/09/2021

Document Number:

693803881

FIELD INSPECTION FORM

Loc ID 334299 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

Operator Information:

OGCC Operator Number: 10453
Name of Operator: PARADOX UPSTREAM LLC
Address: 500 DALLAS ST SUITE #1650
City: HOUSTON State: TX Zip: 77002

Findings:

- 10 Number of Comments
- 2 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 |
|------------------|--------------|-----------------------------|-----------------|
| Browning, Chuck | 970-433-4139 | chuck.browning@state.co.us | Field Inspector |
| Nowak, Scott | 713-899-0259 | scottn@bogresources.com | All Inspections |
| Labowskie, Steve | | steve.labowskie@state.co.us | |
| Hankins, Neil | 970-428-2742 | davidh@paradoxresources.com | All Inspections |

Inspected Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status |
|-------------|------|--------|-------------|------------|-----------|----------------------------|-------------|
| 266681 | WELL | SI | 08/01/2021 | 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 | 02/01/2020 | GW | 113-06204 | HC STATE 36-42-45-15 | SI |

General Comment:

COGCC staff performed a routine field inspection on 12/8/2021.
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: | | | |
| Corrective Action: | | | Date: |
| | Type WELLHEAD | | |
| Comment: | Signs on meter housings | | |
| Corrective Action: | | | Date: |

| | | | |
|----------------------------------|---------------------|--|-------------|
| Emergency Contact Number: | | | |
| Comment: | 435-587-2237 or 911 | | |
| Corrective Action: | | | Date: _____ |

Overall Good:

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

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

| | | | |
|--------------------------|-----|--|-----------------|
| Equipment: | | | corrective date |
| Type: Deadman # & Marked | # 4 | | |
| Comment: | | | |
| Corrective Action: | | | Date: |
| Type: Gas Meter Run | # 3 | | |
| Comment: | | | |
| Corrective Action: | | | Date: |
| Type: Plunger Lift | # 3 | | |
| Comment: | | | |
| Corrective Action: | | | Date: |

| | | | |
|-----------------------------------|-----|--|-------|
| Type: Horizontal Heated Separator | # 3 | | |
| Comment: | | | |
| Corrective Action: | | | Date: |
| Type: Bird Protectors | # 3 | | |
| Comment: | | | |
| Corrective Action: | | | Date: |
| Type: Bradenhead | # 3 | | |
| Comment: | | | |
| Corrective Action: | | | Date: |

Tanks and Berms:

| Contents | # | Capacity | Type | Tank ID | SE GPS |
|--------------------|---|----------|-----------|---------|-----------------------|
| PRODUCED WATER | 3 | 400 BBLs | STEEL AST | | 38.103769,-108.478917 |
| 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: 266681 Type: WELL API Number: 113-06123 Status: SI Insp. Status: SI

Idle Well

Purpose: Shut In Temporarily Abandoned Reminder: _____

Comment: Well shut in 2/2017.
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: 03/09/2022

Facility ID: 282322 Type: WELL API Number: 113-06203 Status: PR Insp. Status: PR

Producing Well

Comment: Plunger lift

Corrective Action: _____ Date: _____

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 2/2020.
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: 03/09/2022

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 COGCC Images (<https://cogcc.state.co.us/weblink/>) and search by document number:

| Document Num | Description | URL |
|--------------|-----------------------------|---|
| 402894990 | INSPECTION SUBMITTED | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5603137 |
| 693803882 | Inspection photos 12/8/2021 | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5603127 |