

FORM INSP
Rev 05/11

**State of Colorado
Oil and Gas Conservation Commission**

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



DE	ET	OE	ES
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Inspection Date:
06/13/2014

Document Number:
674001139

Overall Inspection:

VIOLATION

FIELD INSPECTION FORM

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	<u>435075</u>	<u>432988</u>	<u>Carlile, Craig</u>	<input type="checkbox"/>	

Operator Information:

OGCC Operator Number:	<u>10311</u>
Name of Operator:	<u>SYNERGY RESOURCES CORPORATION</u>
Address:	<u>20203 HIGHWAY 60</u>
City:	<u>PLATTEVILLE</u> State: <u>CO</u> Zip: <u>80651</u>

- THIS IS A FOLLOW UP INSPECTION
- FOLLOW UP INSPECTION REQUIRED
- NO FOLLOW UP INSPECTION REQUIRED
- INSPECTOR REQUESTS FORM 42 WHEN CORRECTIVE ACTIONS ARE COMPLETED

Contact Information:

Contact Name	Phone	Email	Comment
Rasmuson, Craig	970-737-1073	crasmuson@syrginfo.com	
PRECUP, JIM		james.precup@state.co.us	
Sandquist, Rhonda	970-737-1073	rsandquist@syrginfo.com	
Gomez, Jason		jason.gomez@state.co.us	
JOHNSON, RANDELL		randell.johnson@state.co.us	
Pennington, Dave		dpennington@syrginfo.com	Synergy Inspection

Compliance Summary:

QtrQtr: SWNW Sec: 5 Twp: 2N Range: 68W

Inspector Comment:

Related Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status	
432982	WELL	XX	05/19/2013	LO	123-37389	SRC Union 11-5D	XX	<input type="checkbox"/>
432984	WELL	AL	01/17/2014	LO	123-37391	SRC Union 5FD	AL	<input type="checkbox"/>
432986	WELL	XX	05/19/2013	LO	123-37393	SRC Union 5JD	XX	<input type="checkbox"/>
432989	WELL	AL	01/17/2014	LO	123-37395	SRC Union 12-5D	AL	<input type="checkbox"/>
432990	WELL	DG	02/11/2014	LO	123-37396	SRC Union 12-5CHZ	DG	<input checked="" type="checkbox"/>
432991	WELL	DG	03/27/2014	LO	123-37397	SRC Union A-5NHZ	DG	<input checked="" type="checkbox"/>
432992	WELL	DG	04/14/2014	LO	123-37398	SRC Union A-5CHZ	DG	<input checked="" type="checkbox"/>
432993	WELL	DG	01/03/2014	LO	123-37399	SRC Union C-5NHZ	DG	<input checked="" type="checkbox"/>
432994	WELL	XX	05/19/2013	LO	123-37400	SRC Union 12-5NHZ	XX	<input type="checkbox"/>
435075	WELL	DG	01/26/2014	LO	123-38451	SRC Union C-5CHZ	DG	<input checked="" type="checkbox"/>

Equipment:

Location Inventory

Inspector Name: Carlile, Craig

Special Purpose Pits: _____	Drilling Pits: _____	Wells: <u>10</u>	Production Pits: _____
Condensate Tanks: <u>22</u>	Water Tanks: <u>11</u>	Separators: <u>10</u>	Electric Motors: _____
Gas or Diesel Mortors: _____	Cavity Pumps: _____	LACT Unit: _____	Pump Jacks: _____
Electric Generators: _____	Gas Pipeline: <u>1</u>	Oil Pipeline: _____	Water Pipeline: _____
Gas Compressors: <u>2</u>	VOC Combustor: <u>12</u>	Oil Tanks: _____	Dehydrator Units: _____
Multi-Well Pits: _____	Pigging Station: _____	Flare: _____	Fuel Tanks: _____

Location

Signs/Marker:				
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
WELLHEAD	ACTION REQUIRED	Well head signs needed.	Install sign to comply with rule 210.	07/31/2014
BATTERY	SATISFACTORY			
TANK LABELS/PLACARDS	SATISFACTORY			

Emergency Contact Number (S/A/V): _____ Corrective Date: _____

Comment: _____

Corrective Action: _____

Good Housekeeping:				
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
UNUSED EQUIPMENT	ACTION REQUIRED	Frac Tanks on Site Not Being Used	Remove unused equipment	07/14/2014
TRASH	ACTION REQUIRED	Trash on site, water tank underlayment material.	Remove Trash	07/14/2014

Spills:				
Type	Area	Volume	Corrective action	CA Date
<input type="checkbox"/> Multiple Spills and Releases?				

Equipment:					
Type	#	Satisfactory/Action Required	Comment	Corrective Action	CA Date
Gas Meter Run	1	SATISFACTORY	Installation in process		
Horizontal Heated Separator	6	SATISFACTORY			
Bird Protectors	8	SATISFACTORY			
Emission Control Device	2	ACTION REQUIRED	Installation in process (needs paint)	Paint	08/14/2014
Other	6	SATISFACTORY	VRU's		

Facilities:		<input type="checkbox"/> New Tank	Tank ID: _____		
Contents	#	Capacity	Type	SE GPS	
PRODUCED WATER	4	400 BBLS	STEEL AST		
S/A/V:	SATISFACTORY		Comment:		
Corrective Action:				Corrective Date:	
<u>Paint</u>					
Condition					
Other (Content)	_____				
Other (Capacity)	_____				
Other (Type)	_____				
<u>Berms</u>					
Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance	
Corrective Action				Corrective Date	
Comment		Shared with Crude Oil Tanks			
Facilities:		<input type="checkbox"/> New Tank	Tank ID: _____		
Contents	#	Capacity	Type	SE GPS	
CONDENSATE	12	500 BBLS	STEEL AST		
S/A/V:	ACTION REQUIRED		Comment: Tanks are grounded but lack containment and there is a potential drainage towards the wellheads.		
Corrective Action: Tanks				Corrective Date:	
<u>Paint</u>					
Condition					
Other (Content)	_____				
Other (Capacity)	_____				
Other (Type)	_____				
<u>Berms</u>					
Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance	
Other	Inadequate				
Corrective Action				Corrective Date	
Address containment and drainage issues.				07/30/2014	
Comment					

Facilities: New Tank Tank ID: _____

Contents	#	Capacity	Type	SE GPS
CRUDE OIL	12	400 BBLS	STEEL AST	40.170680,-105.034260

S/A/V: SATISFACTORY Comment: _____

Corrective Action: _____ Corrective 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

Corrective Action _____ Corrective Date _____

Comment _____

Venting:

Yes/No	Comment

Flaring:

Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
Field Flare	ACTION REQUIRED	Inspection in response to noise complaint. Note bales on east and south side of location are not in the sightline from the flare to the residences SE of location.	Mitigate sound to ensure compliance with COGCC limits.	06/20/2014

Predrill

Location ID: 435075

Site Preparation:

Lease Road Adeq.: _____ Pads: _____ Soil Stockpile: _____

S/AV: _____

Corrective Action: _____ Date: _____ CDP Num.: _____

Form 2A COAs:

S/AV: _____ **Comment:** _____

CA: _____ **Date:** _____

Wildlife BMPs:

S/AV: _____ **Comment:** _____

CA: _____ **Date:** _____

Stormwater:

Comment: _____

Staking:

On Site Inspection (305):

Surface Owner Contact Information:

Name: _____ Address: _____

Phone Number: _____ Cell Phone: _____

Operator Rep. Contact Information:

Landman Name: _____ Phone Number: _____

Date Onsite Request Received: _____ Date of Rule 306 Consultation: _____

Request LGD Attendance: _____

LGD Contact Information:

Name: _____ Phone Number: _____ Agreed to Attend: _____

Summary of Landowner Issues:

Summary of Operator Response to Landowner Issues:

Onsite Inspection Memorandum Summarizing Discussions at Inspection as Attachment:

Facility

Facility ID: 432990 Type: WELL API Number: 123-37396 Status: DG Insp. Status: DG

Well Stimulation

Stimulation Company: _____ Stimulation Type: HYDRAULIC FRAC

Other: _____

Observation:

Maximum Casing Recorded: _____ PSI Tubing: _____

Surface: _____ Intermediate: _____

Production: _____ Instantaneous Shut-In Pressure (ISIP) _____

Bradenhead Psi: _____ Frac Flow Back: _____ Fluid: _____ Gas: _____

Facility ID: 432991 Type: WELL API Number: 123-37397 Status: DG Insp. Status: DG

Well Stimulation

Stimulation Company: _____ Stimulation Type: HYDRAULIC FRAC

Other: _____

Observation:

Maximum Casing Recorded: _____ PSI Tubing: _____

Surface: _____ Intermediate: _____

Production: _____ Instantaneous Shut-In Pressure (ISIP) _____

Bradenhead Psi: _____ Frac Flow Back: _____ Fluid: _____ Gas: _____

Facility ID: 432992 Type: WELL API Number: 123-37398 Status: DG Insp. Status: DG

Well Stimulation

Stimulation Company: _____ Stimulation Type: HYDRAULIC FRAC

Other: _____

Observation:

Maximum Casing Recorded: _____ PSI Tubing: _____

Surface: _____ Intermediate: _____

Production: _____ Instantaneous Shut-In Pressure (ISIP) _____

Bradenhead Psi: _____ Frac Flow Back: _____ Fluid: _____ Gas: _____

Facility ID: 432993 Type: WELL API Number: 123-37399 Status: DG Insp. Status: DG

Well Stimulation

Stimulation Company: _____ Stimulation Type: HYDRAULIC FRAC

Other: _____

Observation:

Maximum Casing Recorded: _____ PSI Tubing: _____

Surface: _____ Intermediate: _____

Production: _____ Instantaneous Shut-In Pressure (ISIP) _____

Bradenhead Psi: _____ Frac Flow Back: _____ Fluid: _____ Gas: _____

Facility ID: 435075 Type: WELL API Number: 123-38451 Status: DG Insp. Status: DG

Well Stimulation

Stimulation Company: _____ Stimulation Type: HYDRAULIC FRAC

Other: _____

Observation:

Maximum Casing Recorded: _____ PSI Tubing: _____

Surface: _____ Intermediate: _____

Production: _____ Instantaneous Shut-In Pressure (ISIP) _____

Bradenhead Psi: _____ Frac Flow Back: _____ Fluid: _____ Gas: _____

Environmental

Spills/Releases:

Type of Spill: _____ Description: _____ Estimated Spill Volume: _____

Comment: _____

Corrective Action: _____ Date: _____

Reportable: _____ GPS: Lat _____ Long _____

Proximity to Surface Water: _____ Depth to Ground Water: _____

Water Well:

Lat _____ Long _____

DWR Receipt Num: _____ Owner Name: _____ GPS: _____

Field Parameters:

Sample Location: _____

Complaint:

Tracking Num	Category	Assigned To	Description	Incident Date
200407481	NOISE	AXELSON, JOHN	Complaint about very high noise level associated with the flare.	06/13/2014
200407481	ODOR	AXELSON, JOHN	Complainant smelled petroleum odor when flare started and is worried about air quality issues.	06/13/2014
200407481	SURFACE WATER	AXELSON, JOHN	Complainant is worried about potential contamination to Union Reservoir.	06/13/2014
200407635	NOISE	Gomez, Jason	On 6-13-2014, the COGCC office received a noise complaint from Jenn Medoff at 11690 Montgomery Circle Longmont CO. The complainant indicated she could here noise coming from a well location with a flare which is located to the west of her home. The complainant was also worried about the flame burning on location which she believed to be causing the noise.	06/13/2014

Emission Control Burner (ECB): _____

Comment: _____

Pilot: _____ Wildlife Protection Devices (fired vessels): _____

Reclamation - Storm Water - Pit

Interim Reclamation:

Date Interim Reclamation Started: _____ Date Interim Reclamation Completed: _____

Land Use: IRRIGATED

Comment: _____

- 1003a. Debris removed? In CM _____
 CA _____ CA Date _____
- Waste Material Onsite? In CM _____
 CA _____ CA Date _____
- Unused or unneeded equipment onsite? In CM _____
 CA _____ CA Date _____
- Pit, cellars, rat holes and other bores closed? _____ CM _____
 CA _____ CA Date _____
- Guy line anchors removed? _____ CM _____
 CA _____ CA Date _____
- Guy line anchors marked? _____ CM _____
 CA _____ CA Date _____

1003b. Area no longer in use? In Production areas stabilized ? In

1003c. Compacted areas have been cross ripped? _____

1003d. Drilling pit closed? _____ Subsidence over on drill pit? _____

Cuttings management: _____

Inspector Name: Carlile, Craig

1003e. Areas no longer needed for drilling or subsequent operations for have been re-vegetated to 80% of pre-existing? Fail
Production areas have been stabilized? _____ Segregated soils have been replaced? _____

RESTORATION AND REVEGETATION

Cropland

Top soil replaced _____ Recontoured _____ Perennial forage re-established _____

Non-Cropland

Top soil replaced _____ Recontoured _____ 80% Revegetation _____

1003 f. Weeds Noxious weeds? _____

Comment: _____

Overall Interim Reclamation In Process

Final Reclamation/ Abandoned Location:

Date Final Reclamation Started: _____ Date Final Reclamation Completed: _____

Final Land Use: IRRIGATED

Reminder: _____

Comment: _____

Well plugged _____ Pit mouse/rat holes, cellars backfilled _____

Debris removed _____ No disturbance /Location never built _____

Access Roads Regraded _____ Contoured _____ Culverts removed _____

Gravel removed _____

Location and associated production facilities reclaimed _____ Locations, facilities, roads, recontoured _____

Compaction alleviation _____ Dust and erosion control _____

Non cropland: Revegetated 80% _____ Cropland: perennial forage _____

Weeds present _____ Subsidence _____

Comment: _____

Corrective Action: _____ Date _____

Overall Final Reclamation _____ Well Release on Active Location Multi-Well Location

Storm Water:

Loc Erosion BMPs	BMP Maintenance	Lease Road Erosion BMPs	Lease BMP Maintenance	Chemical BMPs	Chemical BMP Maintenance	Comment
Berms	Pass					
				MHSP	Pass	Chemical containment under barrels.

S/A/V: SATISFACTOR Corrective Date: _____

Y

Comment: Hay bales provide visual barrier to south and east of location.
Recreational lake to the Northwest of the location.

CA: _____

Pits: NO SURFACE INDICATION OF PIT

COGCC Comments

Comment	User	Date
<p>Inspection performed in response to noise complaint. Initial informal sound readings conducted by Jason Gomez (COGCC Field Inspector) indicated potential sound emissions in excess of allowable limits, a formal survey is planned when atmospheric conditions permit. Results from the formal survey will be available in the complaint response.</p> <p>Synergy representatives at the location during the inspection offered to mitigate sound levels by reducing the flow rate to the flare during night operations. Operator also express good faith towards addressing complaint with further abatement actions pending the results of the COGCC formal survey and the operators independant sound survey results/reccomendations.</p> <p>Site is in an active construction phase, transitioning from drilling/fracking to production operations. Normal continuation of this process is expected to address unused equipment and trash issues.</p> <p>This inspection is in response to complaint number: 200407635 The associated complaint response number: 200407710</p>	carlilec	06/13/2014