

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 |
|----|----|----|----|

Inspection Date:
08/04/2014

Document Number:
674101143

Overall Inspection:

ACTION REQUIRED

FIELD INSPECTION FORM

| | | | | | |
|---------------------|---------------|---------------|-------------------------|--------------------------|-------------|
| Location Identifier | Facility ID | Loc ID | Inspector Name: | On-Site Inspection | 2A Doc Num: |
| | <u>244543</u> | <u>322960</u> | <u>Rickard, Jeffrey</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 |
|-------------------|--------------|--------------------------|--------------------|
| Sandquist, Rhonda | 970-737-1073 | rsandquist@syrginfo.com | |
| Rasmuson, Craig | 970-737-1073 | crasmuson@syrginfo.com | |
| Pennington, Dave | | dpennington@syrginfo.com | Synergy Inspection |

Compliance Summary:

| | | | | | | | |
|---------|-------------|------|-----------|------|-----------|--------|------------|
| QtrQtr: | <u>SENE</u> | Sec: | <u>27</u> | Twp: | <u>4N</u> | Range: | <u>65W</u> |
|---------|-------------|------|-----------|------|-----------|--------|------------|

| Insp. Date | Doc Num | Insp. Type | Insp Status | Satisfactory /Action Required | PA P/F/I | Pas/Fail (P/F) | Violation (Y/N) |
|------------|-----------|------------|-------------|-------------------------------|----------|----------------|-----------------|
| 06/09/2014 | 674100862 | PR | PR | ACTION REQUIRED | | | No |
| 03/26/2012 | 661601014 | PR | PR | ACTION REQUIRED | | | No |
| 03/23/2012 | 661601009 | | | SATISFACTOR Y | | | No |
| 10/01/2009 | 200219861 | BH | PR | SATISFACTOR Y | | | No |
| 08/10/2006 | 200100278 | PR | PR | SATISFACTOR Y | | Pass | No |
| 02/16/2001 | 200014252 | PR | PR | SATISFACTOR Y | | Pass | No |
| 12/13/1996 | 500168452 | PR | PR | | | | |
| 10/21/1996 | 500168451 | PR | PR | | | Pass | No |

Inspector Comment:

Related Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status |
|-------------|------|--------|-------------|------------|-----------|---------------|--|
| 244543 | WELL | PR | 04/17/1985 | OW | 123-12338 | DUPPER 3 | PR <input checked="" type="checkbox"/> |

Equipment:

Location Inventory

Inspector Name: Rickard, Jeffrey

| | | | |
|------------------------------|------------------------|---------------------|-------------------------|
| Special Purpose Pits: _____ | Drilling Pits: _____ | Wells: _____ | Production Pits: _____ |
| Condensate Tanks: _____ | Water Tanks: _____ | Separators: _____ | Electric Motors: _____ |
| Gas or Diesel Mortors: _____ | Cavity Pumps: _____ | LACT Unit: _____ | Pump Jacks: _____ |
| Electric Generators: _____ | Gas Pipeline: _____ | Oil Pipeline: _____ | Water Pipeline: _____ |
| Gas Compressors: _____ | VOC Combustor: _____ | Oil Tanks: _____ | Dehydrator Units: _____ |
| Multi-Well Pits: _____ | Pigging Station: _____ | Flare: _____ | Fuel Tanks: _____ |

Location

| Signs/Marker: | | | | |
|----------------------|------------------------------|---------|-------------------|---------|
| Type | Satisfactory/Action Required | Comment | Corrective Action | CA Date |
| BATTERY | SATISFACTORY | | | |
| TANK LABELS/PLACARDS | SATISFACTORY | | | |

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

Comment: _____

Corrective Action: _____

| Good Housekeeping: | | | | |
|---------------------------|------------------------------|--|-------------------|------------|
| Type | Satisfactory/Action Required | Comment | Corrective Action | CA Date |
| TRASH | ACTION REQUIRED | Metal pipe with concrete inside berm, see photo. | Remove trash. | 11/04/2014 |

| 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 |
| Horizontal Heated Separator | 1 | ACTION REQUIRED | Seperator is venting gas to vault. | Fix leak/problem causing seperator to send gas to vault. | 11/04/2014 |

| | | | | | |
|--------------------|---|-----------------------------------|--|-----------------------|-------------------|
| Facilities: | | <input type="checkbox"/> New Tank | Tank ID: _____ | | |
| Contents | # | Capacity | Type | SE GPS | |
| PRODUCED WATER | 1 | <50 BBLS | BV CONCRETE | 40.286820,-104.640220 | |
| S/AV: | ACTION REQUIRED | | Comment: No free board in vault, vault is full. | | |
| Corrective Action: | Drain vault to comply with free board rules. | | | Corrective Date: | 10/04/2014 |
| <u>Paint</u> | | | | | |
| Condition | Adequate | | | | |
| Other (Content) | _____ | | | | |
| Other (Capacity) | _____ | | | | |
| Other (Type) | _____ | | | | |
| <u>Berms</u> | | | | | |
| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance | |
| | | | | | |
| Corrective Action | | | | | Corrective Date |
| Comment | | | | | |

| | | | | | |
|--------------------|------------------------|-----------------------------------|---|-----------------------|-------------------|
| Facilities: | | <input type="checkbox"/> New Tank | Tank ID: _____ | | |
| Contents | # | Capacity | Type | SE GPS | |
| CRUDE OIL | 1 | 300 BBLS | STEEL AST | 40.286820,-104.640220 | |
| S/AV: | ACTION REQUIRED | | Comment: Hatch to the south of tank is leaking at bolts. | | |
| Corrective Action: | Fix Leak. | | | Corrective Date: | 10/04/2014 |
| <u>Paint</u> | | | | | |
| Condition | Adequate | | | | |
| Other (Content) | _____ | | | | |
| Other (Capacity) | _____ | | | | |
| Other (Type) | _____ | | | | |
| <u>Berms</u> | | | | | |
| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance | |
| | | | | | |
| Corrective Action | | | | | Corrective Date |
| Comment | | | | | |

| | | |
|-----------------|---------|--|
| Venting: | | |
| Yes/No | Comment | |
| | | |

| | | | | |
|-----------------|------------------------------|---------|-------------------|---------|
| Flaring: | | | | |
| Type | Satisfactory/Action Required | Comment | Corrective Action | CA Date |
| | | | | |

Predrill

Location ID: 244543

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: 244543 Type: WELL API Number: 123-12338 Status: PR Insp. Status: PR

Producing Well

Comment: **PR**

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:

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

Field Parameters:

Sample Location: _____

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: _____

Comment: _____

- 1003a. Debris removed? _____ CM _____
CA _____ CA Date _____
- Waste Material Onsite? _____ CM _____
CA _____ CA Date _____
- Unused or unneeded equipment onsite? _____ 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? _____ Production areas stabilized ? _____

1003c. Compacted areas have been cross ripped? _____

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

Cuttings management: _____

1003e. Areas no longer needed for drilling or subsequent operations for have been re-vegetated to 80% of pre-existing? _____

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

Final Reclamation/ Abandoned Location:

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

Final Land Use: _____

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 |
|------------------|-----------------|-------------------------|-----------------------|---------------|--------------------------|---------|
| | | | | | | |

S/A/V: SATISFACTOR Corrective Date: _____

Y

Comment:

CA:

Pits: NO SURFACE INDICATION OF PIT

COGCC Comments

| Comment | User | Date |
|--|----------|------------|
| Corrective actions since last inspection have been performed. Inspector found new issues upon re-inspection. | rickardj | 08/04/2014 |

Attached Documents

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

| Document Num | Description | URL |
|--------------|-------------------------------|---|
| 674101144 | Trash on location. | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3400064 |
| 674101145 | Leak in hatch on tank. | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3400065 |
| 674101146 | Vault is full, no free board. | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3400066 |