

**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



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Inspection Date:
09/19/2014

Document Number:
668302610

Overall Inspection:

ACTION REQUIRED

FIELD INSPECTION FORM

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	<u>433546</u>	<u>433548</u>	<u>JOHNSON, RANDELL</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	
Pennington, Dave	970-737-1073	dpennington@syrginfo.com	
Sandquist, Rhonda	970-737-1073	rsandquist@syrginfo.com	

Compliance Summary:

QtrQtr: SENE Sec: 32 Twp: 1N Range: 66W

Inspector Comment:

Related Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status	
433546	WELL	DG	01/06/2014	LO	123-37682	Phelps A-32CHZ	PR	<input checked="" type="checkbox"/>
433547	WELL	DG	03/02/2014	OW	123-37683	Phelps 12-32CHZ	PR	<input checked="" type="checkbox"/>
433549	WELL	DG	06/23/2014	OW	123-37684	Phelps 11-32CHZ	PR	<input checked="" type="checkbox"/>
433550	WELL	DG	11/25/2013	OW	123-37685	Phelps 12-32NHZ	PR	<input checked="" type="checkbox"/>
433551	WELL	AL	11/15/2013	LO	123-37686	Phelps K-32NHZ	AL	<input type="checkbox"/>
433552	WELL	DG	11/10/2013	OW	123-37687	Phelps 11-32NHZ	DG	<input type="checkbox"/>
433553	WELL	DG	12/18/2013	LO	123-37688	PHELPS A-32NHZX	DG	<input type="checkbox"/>
433554	WELL	AL	11/15/2013	LO	123-37689	Phelps K-32CHZ	AL	<input type="checkbox"/>
433960	WELL	AL	11/15/2013	LO	123-37871	Phelps 13-32NHZ	AL	<input type="checkbox"/>
433961	WELL	PR	07/16/2014	OW	123-37872	Phelps A-32NHZ	PR	<input checked="" type="checkbox"/>
433962	WELL	AL	11/15/2013	LO	123-37873	Phelps 13-32CHZ	AL	<input type="checkbox"/>

Equipment:

Location Inventory

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Special Purpose Pits: _____	Drilling Pits: _____	Wells: <u>12</u>	Production Pits: _____
Condensate Tanks: <u>20</u>	Water Tanks: <u>6</u>	Separators: <u>12</u>	Electric Motors: _____
Gas or Diesel Motors: _____	Cavity Pumps: _____	LACT Unit: _____	Pump Jacks: _____
Electric Generators: _____	Gas Pipeline: <u>1</u>	Oil Pipeline: _____	Water Pipeline: _____
Gas Compressors: <u>1</u>	VOC Combustor: <u>6</u>	Oil Tanks: _____	Dehydrator Units: _____
Multi-Well Pits: _____	Pigging Station: <u>1</u>	Flare: _____	Fuel Tanks: _____

Location

Signs/Marker:				
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
TANK LABELS/PLACARDS	ACTION REQUIRED	Steel crude oil tank on northwest corner of battery does not have the required contents, capacity or NFPA signage/See attached photo on last page of document	Install sign to comply with rule 210.	10/19/2014
TANK LABELS/PLACARDS	ACTION REQUIRED	Signage on three of the four produced water tanks is peeling off/See attached photo on last page of document	Install sign to comply with rule 210.	10/19/2014
CONTAINERS	SATISFACTORY			
BATTERY	SATISFACTORY			

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

Comment: _____

Corrective Action: _____

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
Emission Control Device	4	SATISFACTORY			
Vertical Separator	1	SATISFACTORY	Compressor suction scrubber		
Gas Meter Run	6	SATISFACTORY	Operator check meters on outlets of separators		
Gas Meter Run	1	SATISFACTORY	Pipeline meter and metal meter run house		
Other	6	SATISFACTORY	VRU towers		
VRU	1	SATISFACTORY			

Horizontal Heated Separator	6	SATISFACTORY		
Plunger Lift	5	SATISFACTORY		
Compressor	1	SATISFACTORY	Pipeline compressor	
Gas Meter Run	1	SATISFACTORY	Operator check meter on suction of pipeline compressor	

Facilities: New Tank Tank ID: _____

Contents	#	Capacity	Type	SE GPS
PRODUCED WATER	4	400 BBLS	FIBERGLASS AST	40.010970,-104.792820

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 _____

Facilities: New Tank Tank ID: _____

Contents	#	Capacity	Type	SE GPS
CRUDE OIL	12	400 BBLS	STEEL AST	40.010970,-104.792820

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
NO	

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

Predrill

Location ID: 433546

Site Preparation:

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

S/A/V: _____

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

Form 2A COAs:

S/A/V: _____ **Comment:** _____

CA: _____ **Date:** _____

Wildlife BMPs:

BMP Type	Comment
Construction	Hay bales will be used on the south and west sides of the location.
Material Handling and Spill Prevention	A permanent berm will be constructed between the location and the pond and irrigation ditch.

S/A/V: _____ **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: 433546 Type: WELL API Number: 123-37682 Status: DG Insp. Status: PR

Producing Well

Comment: **PR**

BradenHead

Comment: Bradenhead is plumbed to the surface.

CA:

CA Date:

Facility ID: 433547 Type: WELL API Number: 123-37683 Status: DG Insp. Status: PR

Producing Well

Comment: PR

BradenHead

Comment: Bradenhead is plumbed to the surface.

CA:

CA Date:

Facility ID: 433549 Type: WELL API Number: 123-37684 Status: DG Insp. Status: PR

Producing Well

Comment: PR

BradenHead

Comment: Bradenhead is plumbed to the surface.

CA:

CA Date:

Facility ID: 433550 Type: WELL API Number: 123-37685 Status: DG Insp. Status: PR

Producing Well

Comment: PR

BradenHead

Comment: Bradenhead is plumbed to the surface.

CA:

CA Date:

Facility ID: 433961 Type: WELL API Number: 123-37872 Status: PR Insp. Status: PR

Producing Well

Comment: PR

BradenHead

Comment: Bradenhead is plumbed to the surface.

CA:

CA Date:

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: _____

Emission Control Burner (ECB): Y _____

Comment: _____

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

Reclamation - Storm Water - Pit

Interim Reclamation:

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

Land Use: RANGELAND

Comment: _____

1003a. Debris removed? Pass CM _____

CA _____ CA Date _____

Waste Material Onsite? Pass CM _____

CA _____ CA Date _____

Unused or unneeded equipment onsite? Pass CM _____

CA _____ CA Date _____

Pit, cellars, rat holes and other bores closed? Pass CM _____

CA _____ CA Date _____

Guy line anchors removed? Pass 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: _____

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

Production areas have been stabilized? In _____ 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: RANGELAND _____

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
Other	Pass	Other	Pass			Vegetation
Gravel	Pass	Gravel	Pass			
Compaction	Pass	Compaction	Pass			

S/A/V: SATISFACTOR
Y

Corrective Date: _____

Comment: _____

CA: _____

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
668302615	Synergy - Phelps A-32CHZ (123-37682) (1)	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3439390
668302616	Synergy - Phelps A-32CHZ (123-37682) (2)	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3439391
668302617	Synergy - Phelps A-32CHZ (123-37682) (3)	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3439392
668302618	Synergy - Phelps A-32CHZ (123-37682) (4)	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3439393

ACTION REQUIRED

ANY ACTION REQUIRED items listed on this report indicate that the oil and gas facility or the oil and gas operations listed on the report may be in violation of the rules and regulations of the Colorado Oil and Conservation Commission (“COGCC”) and corrective action is required.

There is reasonable cause to believe that a violation of the Oil and Gas Conservation Act, or of any rule, regulation, or order of the Commission, or of any permit issued by the Commission, has occurred. The Operator’s compliance with this Inspection Report is required to resolve these alleged violations. This document requires the Operator to timely respond to the COGCC and to comply with directives as listed by the **Corrective Action Deadline Date**. Failure to do so will result in the issuance of a Notice of Alleged Violation and initiation of enforcement proceedings in which COGCC will seek monetary penalties for the alleged violations pursuant to § 34-60-121, C.R.S. and Rule 523, COGCC Rules of Practice and Procedure, 2 CCR 404-1. (Please note that the COGCC's penalty authority was recently increased to a maximum of \$15,000 per day and penalties are no longer capped at a maximum of \$10,000 per violation.)