

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:
10/27/2014

Document Number:
674101602

Overall Inspection:
SATISFACTORY

FIELD INSPECTION FORM

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	<u>437826</u>	<u>437829</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
Rasmuson, Craig	970-737-1073	crasmuson@syrginfo.com	
Sandquist, Rhonda	970-737-1073	rsandquist@syrginfo.com	
Pennington, Dave		dpennington@syrginfo.com	Synergy Inspection

Compliance Summary:

QtrQtr: SWSE Sec: 4 Twp: 4N Range: 68W

Inspector Comment:

Related Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status	
437823	WELL	DG	07/06/2014		123-39711	SRC KIEHN 22-4CHZ	DG	X
437824	WELL	DG	07/06/2014		123-39712	SRC KIEHN 32-4NHZ	DG	X
437825	WELL	DG	07/06/2014		123-39713	SRC KIEHN 32-4CHZ	DG	X
437826	WELL	DG	10/20/2014		123-39714	SRC Weis K-9NHZ	DG	X
437827	WELL	DG	07/06/2014		123-39715	SRC KIEHN C-4NHZ	DG	X
437828	WELL	DG	07/06/2014		123-39716	SRC KIEHN N-4NHZ	DG	X
437830	WELL	DG	10/20/2014		123-39717	SRC Weis 12-9NHZ	DG	X
437831	WELL	DG	07/06/2014		123-39718	SRC KIEHN C-4CHZ	DG	X
437832	WELL	DG	07/06/2014		123-39719	SRC KIEHN 31-4CHZ	DG	X
437833	WELL	DG	10/20/2014		123-39720	SRC Weis 12-9CHZ	DG	X
437834	WELL	DG	07/06/2014		123-39721	SRC KIEHN 31-4NHZ	DG	X
437835	WELL	DG	10/20/2014		123-39722	SRC Weis A-9CHZ	DG	X
437881	WELL	DG	10/20/2014		123-39746	SRC Weis A-9NHZ	DG	X

Equipment:

Location Inventory

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Inspector Name: Rickard, Jeffrey

Special Purpose Pits: _____	Drilling Pits: _____	Wells: <u>13</u>	Production Pits: _____
Condensate Tanks: _____	Water Tanks: <u>4</u>	Separators: <u>13</u>	Electric Motors: _____
Gas or Diesel Mortors: _____	Cavity Pumps: _____	LACT Unit: _____	Pump Jacks: _____
Electric Generators: _____	Gas Pipeline: _____	Oil Pipeline: _____	Water Pipeline: _____
Gas Compressors: _____	VOC Combustor: <u>6</u>	Oil Tanks: <u>22</u>	Dehydrator Units: _____
Multi-Well Pits: _____	Pigging Station: _____	Flare: _____	Fuel Tanks: _____

Location

Signs/Marker:

Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
DRILLING/RECOMP	SATISFACTORY			

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

Comment: _____

Corrective Action: _____

Spills:

Type	Area	Volume	Corrective action	CA Date
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Multiple Spills and Releases?

Venting:

Yes/No	Comment

Flaring:

Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date

Predrill

Location ID: 437826

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
Noise mitigation	Noise. The drilling site is far enough away from the building unit that noise mitigation is not required.
General Housekeeping	Fencing requirements. A meeting with the surface owner will determine fencing plan.
General Housekeeping	Removal of surface trash. All trash, debris and material not intrinsic to the operation of the oil and gas facility shall be removed and legally disposed of as applicable.
Planning	Multi-well Pads. It is a multi-well pad located in a manner which allows for resource extraction while maintaining the highest distances possible from the offsetting residential areas and complies with the wishes of the surface owner.

Drilling/Completion Operations	Guy line anchors. All guy line anchors shall be brightly marked pursuant to Rule 604.c(2)Q.
Emissions mitigation	Green Completions – Emission Control Systems. Test separators and associated flow lines and sand traps shall be installed on-site to accommodate Green completions techniques pursuant to COGCC Rules. In the anticipated absence of a viable gas sales line, the flowback gas shall be thermally oxidized in an emissions control device (ECD), which will be installed and kept in operable condition for least the first 90-days of production pursuant to CDPHE rules. This ECD shall have an adequate capacity for 1.5 times the largest flowback within a 10 mile radius, will be flanged to route gas to other or permanent oxidizing equipment and shall be provided with the equipment needed to maintain combustion where non-combustible gases are present.
Construction	Berm construction. Tank berms shall be constructed of steel rings with a synthetic or engineered liner and designed to contain 150% of the capacity of the largest tank. All berms will be visually checked periodically to ensure proper working condition.
Drilling/Completion Operations	Closed Loop Drilling Systems – Pit Restrictions. Not applicable; a closed-loop system will be used for drilling.
Material Handling and Spill Prevention	Loadlines. All loadlines shall be bullplugged or capped.
Planning	Development from existing well pads. These additional wells are located on an already approved location assessment and have been clustered in two lines to minimize surface disturbance area and cut and fill volumes.
Material Handling and Spill Prevention	Tank specifications. Tanks will be designed, constructed and maintained in accordance with NFPA Code 30. The tanks are visually inspected once a day for issues, and recorded inspections are conducted once a month.
Drilling/Completion Operations	BOPE for well servicing operations. Adequate BOP equipment shall be used. Stabbing valves shall be installed in the event of reverse circulation and shall be prior tested with low and high pressure fluid.
Planning	Site-specific measures. This location has been designed to mitigate the visual impacts to the surrounding properties.
Drilling/Completion Operations	Blowout preventer equipment (“BOPE”). A double ram and annular preventer will be used during drilling. At least the drilling company shall have a valid well blowout prevention certifications.
Material Handling and Spill Prevention	Leak Detection Plan. Pumper will visit the location daily and visually inspect all tanks and fittings for leaks. Additionally, monthly documented SPCCP inspections are conducted pursuant to 40 CFR §112.
Drilling/Completion Operations	Anti-Collision BMP: Prior to drilling operations, Operator will perform an anti-collision scan of existing offset wells that have the potential of being within close proximity of the proposed wells. This anti-collision scan will include definitive MWD or gyro surveys of the offset wells with included error of uncertainty per survey instrument, and compared against the proposed wellpath with its respective error of uncertainty. If current surveys do not exist for the offset wells, Operator may have gyro surveys conducted to verify bottomhole location. The proposed well will only be drilled if the anti-collision scan results indicate that there is not a risk for collision, or harm to people or the environment. For the proposed well, upon conclusion of drilling operations, an as constructed gyro survey will be submitted to COGCC with the Form 5.
Traffic control	Access roads. The access road will be constructed to accommodate local emergency vehicles. This road will be maintained for access at all times.
Drilling/Completion Operations	Drill stem tests. Not applicable; no Drill Stem tests are planned.
Drilling/Completion Operations	Pit level indicators. Not applicable; a closed-loop system will be used and no pits shall be dug.
Traffic control	Traffic Plan. Traffic will be routed to minimize local interruption.
Final Reclamation	Identification of plugged and abandoned wells. P&A'd wells shall be identified pursuant to 319.a. (5).
Drilling/Completion Operations	Bradenhead Monitoring BMP: Operator will comply with COGCC Policy for Bradenhead Monitoring During Hydraulic Fracturing Treatments in the Greater Wattenberg Area dated May 29, 2012.
Drilling/Completion Operations	Control of fire hazards. All materials which are considered fire hazards shall be a minimum of 25' from the wellhead tanks or separators. Electrical equipment shall comply with API RP 500 and will comply with the current national electrical code.

Inspector Name: Rickard, Jeffrey

Final Reclamation Well site cleared. Within 90-day subsequent to the time of plugging and abandonment of the entire site, superfluous debris and equipment shall be removed from the site

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: 437823 Type: WELL API Number: 123-39711 Status: DG Insp. Status: DG

Well Drilling

Rig: Rig Name: Ensign 131 Pusher/Rig Manager: _____

Permit Posted: SATISFACTORY Access Sign: SATISFACTORY

Well Control Equipment:

Pipe Ram: YES Blind Ram: YES Hydril Type: _____

Pressure Test BOP: _____ Test Pressure PSI: _____ Safety Plan: _____

Drill Fluids

Management:

Lined Pit: _____ Unlined Pit: _____ Closed Loop: YES Semi-Closed Loop: _____

Multi-Well: YES Disposal Location: _____

Comment:

Facility ID: 437824 Type: WELL API Number: 123-39712 Status: DG Insp. Status: DG

Well Drilling

Rig: Rig Name: Ensign 131 Pusher/Rig Manager: _____

Permit Posted: SATISFACTORY Access Sign: SATISFACTORY

Well Control Equipment:

Inspector Name: Rickard, Jeffrey

Pipe Ram: YES Blind Ram: YES Hydril Type: _____
Pressure Test BOP: _____ Test Pressure PSI: _____ Safety Plan: _____
Drill Fluids Management:
Lined Pit: _____ Unlined Pit: _____ Closed Loop: YES Semi-Closed Loop: _____
Multi-Well: YES Disposal Location: _____
Comment:

Facility ID: 437825 Type: WELL API Number: 123-39713 Status: DG Insp. Status: DG

Well Drilling

Rig: Rig Name: Ensign 131 Pusher/Rig Manager: _____
Permit Posted: SATISFACTORY Access Sign: SATISFACTORY
Well Control Equipment:
Pipe Ram: YES Blind Ram: YES Hydril Type: _____
Pressure Test BOP: _____ Test Pressure PSI: _____ Safety Plan: _____
Drill Fluids Management:
Lined Pit: _____ Unlined Pit: _____ Closed Loop: YES Semi-Closed Loop: _____
Multi-Well: YES Disposal Location: _____
Comment:

Facility ID: 437826 Type: WELL API Number: 123-39714 Status: DG Insp. Status: DG

Well Drilling

Rig: Rig Name: Ensign 131 Pusher/Rig Manager: _____
Permit Posted: SATISFACTORY Access Sign: _____
Well Control Equipment:
Pipe Ram: YES Blind Ram: YES Hydril Type: _____
Pressure Test BOP: _____ Test Pressure PSI: _____ Safety Plan: _____
Drill Fluids Management:
Lined Pit: _____ Unlined Pit: _____ Closed Loop: YES Semi-Closed Loop: _____
Multi-Well: YES Disposal Location: _____
Comment:

Facility ID: 437827 Type: WELL API Number: 123-39715 Status: DG Insp. Status: DG

Well Drilling

Rig: Rig Name: Ensign 131 Pusher/Rig Manager: _____
Permit Posted: SATISFACTORY Access Sign: _____
Well Control Equipment:
Pipe Ram: YES Blind Ram: YES Hydril Type: _____
Pressure Test BOP: _____ Test Pressure PSI: _____ Safety Plan: _____
Drill Fluids Management:

Lined Pit: _____ Unlined Pit: _____ Closed Loop: YES Semi-Closed Loop: _____
Multi-Well: YES Disposal Location: _____

Comment:

Facility ID: 437828 Type: WELL API Number: 123-39716 Status: DG Insp. Status: DG

Well Drilling

Rig: Rig Name: Ensign 131 Pusher/Rig Manager: _____
Permit Posted: SATISFACTORY Access Sign: _____

Well Control Equipment:

Pipe Ram: YES Blind Ram: YES Hydril Type: _____
Pressure Test BOP: _____ Test Pressure PSI: _____ Safety Plan: _____

Drill Fluids Management:

Lined Pit: _____ Unlined Pit: _____ Closed Loop: YES Semi-Closed Loop: _____
Multi-Well: YES Disposal Location: _____

Comment:

Facility ID: 437830 Type: WELL API Number: 123-39717 Status: DG Insp. Status: DG

Well Drilling

Rig: Rig Name: Ensign 131 Pusher/Rig Manager: _____
Permit Posted: SATISFACTORY Access Sign: SATISFACTORY

Well Control Equipment:

Pipe Ram: YES Blind Ram: YES Hydril Type: _____
Pressure Test BOP: _____ Test Pressure PSI: _____ Safety Plan: _____

Drill Fluids Management:

Lined Pit: _____ Unlined Pit: _____ Closed Loop: YES Semi-Closed Loop: _____
Multi-Well: YES Disposal Location: _____

Comment:

Facility ID: 437831 Type: WELL API Number: 123-39718 Status: DG Insp. Status: DG

Well Drilling

Rig: Rig Name: Ensign 131 Pusher/Rig Manager: _____
Permit Posted: SATISFACTORY Access Sign: SATISFACTORY

Well Control Equipment:

Pipe Ram: YES Blind Ram: YES Hydril Type: _____
Pressure Test BOP: _____ Test Pressure PSI: _____ Safety Plan: _____

Drill Fluids Management:

Lined Pit: _____ Unlined Pit: _____ Closed Loop: YES Semi-Closed Loop: _____
Multi-Well: YES Disposal Location: _____

Comment:

Facility ID: 437832 Type: WELL API Number: 123-39719 Status: DG Insp. Status: DG

Well Drilling

Rig: Rig Name: Ensign 131 Pusher/Rig Manager: _____
 Permit Posted: SATISFACTORY Access Sign: SATISFACTORY

Well Control Equipment:

Pipe Ram: YES Blind Ram: YES Hydril Type: _____
 Pressure Test BOP: _____ Test Pressure PSI: _____ Safety Plan: _____

Drill Fluids Management:

Lined Pit: _____ Unlined Pit: _____ Closed Loop: YES Semi-Closed Loop: _____
 Multi-Well: YES Disposal Location: _____

Comment:

Facility ID: 437833 Type: WELL API Number: 123-39720 Status: DG Insp. Status: DG

Well Drilling

Rig: Rig Name: Ensign 131 Pusher/Rig Manager: _____
 Permit Posted: SATISFACTORY Access Sign: SATISFACTORY

Well Control Equipment:

Pipe Ram: YES Blind Ram: YES Hydril Type: _____
 Pressure Test BOP: _____ Test Pressure PSI: _____ Safety Plan: _____

Drill Fluids Management:

Lined Pit: _____ Unlined Pit: _____ Closed Loop: YES Semi-Closed Loop: _____
 Multi-Well: YES Disposal Location: _____

Comment:

Facility ID: 437834 Type: WELL API Number: 123-39721 Status: DG Insp. Status: DG

Well Drilling

Rig: Rig Name: Ensign 131 Pusher/Rig Manager: _____
 Permit Posted: SATISFACTORY Access Sign: SATISFACTORY

Well Control Equipment:

Pipe Ram: YES Blind Ram: YES Hydril Type: _____
 Pressure Test BOP: _____ Test Pressure PSI: _____ Safety Plan: YES

Drill Fluids Management:

Lined Pit: _____ Unlined Pit: _____ Closed Loop: YES Semi-Closed Loop: _____
 Multi-Well: YES Disposal Location: _____

Comment:

Facility ID: 437835 Type: WELL API Number: 123-39722 Status: DG Insp. Status: DG

Well Drilling

Rig: Rig Name: Ensign 131 Pusher/Rig Manager: _____

Inspector Name: Rickard, Jeffrey

Permit Posted: SATISFACTORY

Access Sign: SATISFACTORY

Well Control Equipment:

Pipe Ram: YES

Blind Ram: YES

Hydril Type: _____

Pressure Test BOP: _____

Test Pressure PSI: _____

Safety Plan: _____

Drill Fluids

Management:

Lined Pit: _____

Unlined Pit: _____

Closed Loop: YES

Semi-Closed Loop: _____

Multi-Well: YES

Disposal Location: _____

Comment:

Facility ID: 437881

Type: WELL

API Number: 123-39746

Status: DG

Insp. Status: DG

Well Drilling

Rig: Rig Name: Ensign 131

Pusher/Rig Manager: _____

Permit Posted: SATISFACTORY

Access Sign: SATISFACTORY

Well Control Equipment:

Pipe Ram: YES

Blind Ram: YES

Hydril Type: _____

Pressure Test BOP: _____

Test Pressure PSI: _____

Safety Plan: _____

Drill Fluids

Management:

Lined Pit: _____

Unlined Pit: _____

Closed Loop: YES

Semi-Closed Loop: _____

Multi-Well: YES

Disposal Location: _____

Comment:

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): Y

Comment: _____

Pilot: OFF Wildlife Protection Devices (fired vessels): YES

Reclamation - Storm Water - Pit

Interim Reclamation:

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

Land Use: IRRIGATED

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: 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 _____

Inspector Name: Rickard, Jeffrey

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
Y _____ Corrective Date: _____

Comment: _____

CA: _____

Pits: NO SURFACE INDICATION OF PIT