

<b>FORM INSP</b> <small>Rev 05/11</small>	<b>State of Colorado</b> <b>Oil and Gas Conservation Commission</b> <small>1120 Lincoln Street, Suite 801, Denver, Colorado 80203 Phone: (303) 894-2100 Fax: (303) 894-2109</small>		DE	ET	OE	ES
--	---	--	----	----	----	----

Inspection Date:  
08/17/2015

Document Number:  
674102526

Overall Inspection:  
SATISFACTORY

**FIELD INSPECTION FORM**

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection <input type="checkbox"/>	2A Doc Num: _____
	<u>440317</u>	<u>440318</u>	<u>Rickard, Jeff</u>		

**Operator Information:**

OGCC Operator Number: 10311

Name of Operator: SYNERGY RESOURCES CORPORATION

Address: 20203 HIGHWAY 60

City: PLATTEVILLE State: CO Zip: 80651

- 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
Pennington, Dave		dpennington@syrginfo.com	Synergy Inspection
Rasmuson, Craig	970-737-1073	crasmuson@syrginfo.com	
Sandquist, Rhonda		rsandquist@syrginfo.com	

**Compliance Summary:**

QtrQtr: SESE Sec: 16 Twp: 4N Range: 68W

Insp. Date	Doc Num	Insp. Type	Insp Status	Satisfactory /Action Required	PA P/F/I	Pas/Fail (P/F)	Violation (Y/N)
07/24/2015	674102495	DG	WK	SATISFACTORY			No
07/14/2015	674102458	DG	WK	SATISFACTORY			No
06/10/2015	674102406	DG	WO	SATISFACTORY			No
03/11/2015	674102136	DG	DG	SATISFACTORY			No

**Inspector Comment:**

**Related Facilities:**

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status	
440314	WELL	DG	01/20/2015		123-40778	SRC Cannon H-16NHZ	PR	X
440315	WELL	DG	01/20/2015		123-40779	SRC Cannon 24-16CHZ	PR	X
440316	WELL	DG	01/20/2015		123-40780	SRC Cannon 14-16NHZ	PR	X
440317	WELL	DG	03/10/2015		123-40781	SRC Cannon S-16CHZ	PR	X
440319	WELL	DG	01/20/2015		123-40782	SRC Cannon 14-16CHZ	PR	X
440320	WELL	DG	01/20/2015		123-40783	SRC Cannon 13-16CHZ	PR	X
440321	WELL	DG	01/20/2015		123-40784	SRC Cannon 13-16NHZ	PR	X
440322	WELL	DG	03/18/2015		123-40785	SRC Cannon S-16NHZ	PR	X
440323	WELL	DG	01/20/2015		123-40786	SRC Cannon K-16CHZ	PR	X
440324	WELL	DG	01/20/2015		123-40787	SRC Cannon H-16CHZ	PR	X
440325	WELL	DG	01/20/2015		123-40788	SRC Cannon 24-16NHZ	PR	X

Equipment:		Location Inventory			
Special Purpose Pits: _____	Drilling Pits: _____	Wells: <u>11</u>	Production Pits: _____		
Condensate Tanks: _____	Water Tanks: <u>5</u>	Separators: <u>11</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>3</u>	Oil Tanks: <u>22</u>	Dehydrator Units: _____		
Multi-Well Pits: _____	Pigging Station: _____	Flare: _____	Fuel Tanks: _____		

**Location**

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

Comment: \_\_\_\_\_

Corrective Action: \_\_\_\_\_

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

Venting:	
Yes/No	Comment

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

**Predrill**

Location ID: 440317

**Site Preparation:**  
 Lease Road Adeq.: \_\_\_\_\_ Pads: \_\_\_\_\_ Soil Stockpile: \_\_\_\_\_

**S/A/V:** \_\_\_\_\_  
 Corrective Action: \_\_\_\_\_ Date: \_\_\_\_\_ CDP Num.: \_\_\_\_\_

**Form 2A COAs:**

Group	User	Comment	Date
OGLA	treitzr	Per 912.a. Flaring is prohibited unless during upset conditions. Per 912.b. Uncontrolled venting shall be prohibited at this location.	12/04/2014
OGLA	treitzr	All provisions of Rule 605.c. shall apply	12/04/2014
OGLA	treitzr	Operator shall provide notice to COGCC 48 hours prior to commencing construction of this Oil and Gas Location via Form 42.	12/03/2014

**S/A/V:** \_\_\_\_\_ **Comment:** \_\_\_\_\_

**CA:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**Wildlife BMPs:**

BMP Type	Comment
Planning	Fencing: A meeting with the surface owner will determine a fencing plan
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.

Planning	Visual Impacts: All long term facility structures will be painted a color that enables the facilities to blend in with the natural background color of the landscape, as seen from a viewing distance and location typically used by the public. Maintain appearance with garbage clean-up; a trash bin will be located on site to accumulate waste by the personnel drilling the wells. Site will have unused equipment, trash and junk removed immediately. Berms will be constructed on the east and west sides of the location and be planted with evergreen trees.
Planning	Blowout Prevention Equipment ("BOPE"): A double ram and annular preventer will be used during drilling. Stabbing valves shall be installed in the event of reverse circulation and shall be prior tested with low and high pressure fluid.
Final Reclamation	604.c.(2).U. Final Reclamation-The operator shall identify the location of the wellbore with a permanent monument as specified in Rule 319.a.(5). The operator shall also inscribe or imbed the well number and date of plugging upon the permanent monument.
Construction	Light sources during all phases of operations will be directed downwards and away from occupied structures where possible. Once the drilling and completion rigs leave the site, there will be no permanently installed lighting on site. Lighting shall be mounted at compressor stations on a pole or building and directed downward to illuminate key areas within the facility, while minimizing the amount of light projected outside the facility.
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. Traffic will be routed to minimize local interruption. Dust control measures will also be utilized.
Traffic control	RULE 604.c.(2)D: If required by the local government, a traffic plan shall be coordinated with the local jurisdiction prior to commencement of move in and rig up. Any subsequent modification to the traffic plan must be coordinated with the local jurisdiction.
Drilling/Completion Operations	604.c.(2).K. Drilling and Completion- Pit level Indicators shall be used on location.
Planning	Control of fire hazards: All material that is considered a fire hazard shall be a minimum of 25' from the wellhead tanks or separators. Electrical equipment shall comply with API IRP 500 and will comply with the current national electrical code.
Construction	604.c.(2).Q. Construction-All guy line anchors left buried for future use shall be identified by a marker of bright color not less than four (4) feet in height and not greater than one (1) foot east of the guy line anchor.
Drilling/Completion Operations	RULE 604.c.L: Closed chamber drill stem tests shall be allowed. All other drill stem tests shall require approval by the Director. None planned for this well.
Material Handling and Spill Prevention	Leak Detention 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.
Noise mitigation	The drill site will be powered by electricity, mitigating the majority of noise from drilling operations. Sound walls and/or hay bales will be used to surround the well site during drilling operations.
Odor mitigation	Per Rule 805: Oil & gas facilities and equipment shall be operated in such a manner that odors and dust do not constitute a nuisance or hazard to public welfare.
Drilling/Completion Operations	604.c.(2).O. Drilling and Completion-All loadlines shall be bullplugged or capped.
General Housekeeping	Trash Removal: 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.
Drilling/Completion Operations	RULE 604.c.I: Upon initial rig-up and at least once every thirty (30) days during drilling operations thereafter, pressure testing of the casing string and each component of the blowout prevention equipment including flange connections shall be performed to seventy percent (70%) of working pressure or seventy percent (70%) of the internal yield of casing, whichever is less. Pressure testing shall be conducted and the documented results shall be retained by the operator for inspection by the Director for a period of one (1) year. Activation of the pipe rams for function testing shall be conducted on a daily basis when practicable.
Final Reclamation	Final Reclamation Within 90 days subsequent to the time of plugging and abandonment of the entire site, superfluous debris and equipment shall be removed from the site. Identification of plugged and abandoned wells will be identified pursuant to 319.a.(5)

Planning	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. Secondary containment devices shall be sufficiently impervious to contain any spilled or released material. Tertiary containment, such as an earthen berm, will be installed around production facilities.
Emissions mitigation	Emissions Mitigation Green Completions - Emission Control System: 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 combustions where non-combustible gases are present.
Construction	604.c.(2).E. Construction-This will be a multi-well pad.

**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: 440314 Type: WELL API Number: 123-40778 Status: DG Insp. Status: PR

**Producing Well**

Comment: PR

**BradenHead**

Comment: Braden head is exposed at surface.

CA: \_\_\_\_\_

CA Date: \_\_\_\_\_

**Workover**

Comment: FLOWBACK

Facility ID: 440315 Type: WELL API Number: 123-40779 Status: DG Insp. Status: PR

**Producing Well**

Comment: PR

**BradenHead**

Comment: Braden head is exposed at surface.

CA:

CA Date:

**Workover**

Comment: FLOWBACK

Facility ID: 440316 Type: WELL API Number: 123-40780 Status: DG Insp. Status: PR

**Producing Well**

Comment: PR

**BradenHead**

Comment: Braden head is exposed at surface.

CA:

CA Date:

**Workover**

Comment: FLOWBACK

Facility ID: 440317 Type: WELL API Number: 123-40781 Status: DG Insp. Status: PR

**Producing Well**

Comment: PR

**BradenHead**

Comment: Braden head is exposed at surface.

CA:

CA Date:

**Workover**

Comment: FLOWBACK

Facility ID: 440319 Type: WELL API Number: 123-40782 Status: DG Insp. Status: PR

**Producing Well**

Comment: PR

**BradenHead**

Comment: BRaden head is exposed at surface.

CA:

CA Date:

**Workover**

Comment: FLOWBACK

Facility ID: 440320 Type: WELL API Number: 123-40783 Status: DG Insp. Status: PR

**Producing Well**

Comment: PR

**BradenHead**

Comment: Braden head is exposed at surface.

CA:

CA Date:

**Workover**

Comment: FLOWBACK

Facility ID: 440321 Type: WELL API Number: 123-40784 Status: DG Insp. Status: PR

**Producing Well**

Comment: PR

**BradenHead**

Comment: BRaden head is exposed at surface.

CA:

CA Date:

**Workover**

Comment: FLOWBACK

Facility ID: 440322 Type: WELL API Number: 123-40785 Status: DG Insp. Status: PR

**Producing Well**

Comment: PR

**BradenHead**

Comment: Braden head is exposed at surface.

CA:

CA Date:

**Workover**

Comment: FLOWBACK

Facility ID: 440323 Type: WELL API Number: 123-40786 Status: DG Insp. Status: PR

**Producing Well**

Comment: PR

**BradenHead**

Comment: Braden head is exposed at surface.

CA:

CA Date:

**Workover**

Comment: FLOWBACK

Facility ID: 440324 Type: WELL API Number: 123-40787 Status: DG Insp. Status: PR

**Producing Well**

Comment: PR

**BradenHead**

Comment: Braden head is exposed at surface.

CA: \_\_\_\_\_

CA Date: \_\_\_\_\_

**Workover**

Comment: FLOWBACK

Facility ID: 440325 Type: WELL API Number: 123-40788 Status: DG Insp. Status: PR

**Producing Well**

Comment: PR

**BradenHead**

Comment: Braden head is exposed at surface.

CA: \_\_\_\_\_

CA Date: \_\_\_\_\_

**Workover**

Comment: FLOWBACK

**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: 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? 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? \_\_\_\_\_  
 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 \_\_\_\_\_

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

Inspector Name: Rickard, Jeff

<b>Storm Water:</b>						
Loc Erosion BMPs	BMP Maintenance	Lease Road Erosion BMPs	Lease BMP Maintenance	Chemical BMPs	Chemical BMP Maintenance	Comment
Gravel	Pass					

S/A/V: SATISFACTOR                      Corrective Date: \_\_\_\_\_  
Y \_\_\_\_\_

Comment: \_\_\_\_\_

CA: \_\_\_\_\_

**Pits:**     NO SURFACE INDICATION OF PIT