

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:
10/14/2015

Document Number:
673802599

Overall Inspection:

ACTION REQUIRED

FIELD INSPECTION FORM

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	<u>438495</u>	<u>438495</u>	<u>Gomez, Jason</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
Pennington, Dave		dpennington@syrginfo.com	All Inspections
Rasmuson, Craig	970-737-1073	crasmuson@syrginfo.com	

Compliance Summary:

QtrQtr:	<u>SESE</u>	Sec:	<u>15</u>	Twp:	<u>7N</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)
08/24/2015	673802459			SATISFACTORY			No

Inspector Comment:

Related Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status	
438486	WELL	PR	09/24/2015		123-40014	SRC Geis T-15-22NHZ	PR	<input checked="" type="checkbox"/>
438487	WELL	PR	09/24/2015		123-40015	SRC Gies 34-15-22NHZ	PR	<input checked="" type="checkbox"/>
438488	WELL	PR	09/24/2015		123-40016	SRC Gies 34-15-22NCHZ	PR	<input checked="" type="checkbox"/>
438489	WELL	PR	09/24/2015		123-40017	SRC Gies T-15-22CHZ	PR	<input checked="" type="checkbox"/>
438490	WELL	PR	09/24/2015		123-40018	SRC Gies D-15-22NHZ	PR	<input checked="" type="checkbox"/>
438491	WELL	PR	09/24/2015		123-40019	SRC Gies 44-15-22CHZ	PR	<input checked="" type="checkbox"/>
438492	WELL	PR	09/24/2015		123-40020	SRC Gies 44-15-22NHZ	PR	<input checked="" type="checkbox"/>
438494	WELL	PR	09/24/2015		123-40022	SRC Gies D-15-22NCHZ	PR	<input checked="" type="checkbox"/>

Equipment:

Location Inventory

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Special Purpose Pits: _____	Drilling Pits: _____	Wells: <u>8</u>	Production Pits: _____
Condensate Tanks: _____	Water Tanks: <u>4</u>	Separators: <u>8</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>4</u>	Oil Tanks: <u>16</u>	Dehydrator Units: _____
Multi-Well Pits: _____	Pigging Station: _____	Flare: _____	Fuel Tanks: _____

Location

Signs/Marker:				
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
TANK LABELS/PLACARDS	ALLEGED VIOLATION	No NFPA labeling on produced water tanks alleged violation due to none compliance	Install sign to comply with rule 210.	09/24/2015
BATTERY	SATISFACTORY			
WELLHEAD	SATISFACTORY			

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

Comment: _____

Corrective Action: _____

Good Housekeeping:				
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
UNUSED EQUIPMENT	SATISFACTORY	Unused frac tanks removed from location from previous inspection		

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

Fencing/:				
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
LOCATION	SATISFACTORY	Wire		

Equipment:					
Type	#	Satisfactory/Action Required	Comment	Corrective Action	CA Date
Compressor	1	SATISFACTORY			
Gas Meter Run	9	SATISFACTORY			
Plunger Lift	8	SATISFACTORY			
Horizontal Heated Separator	8	SATISFACTORY			
Emission Control Device	8	SATISFACTORY			
Vertical Separator	1	SATISFACTORY			

Inspector Name: Gomez, Jason

Vertical Heated Separator	2	SATISFACTORY		
Pig Station	1	SATISFACTORY		
VRU	2	SATISFACTORY		

Facilities: New Tank Tank ID: _____

Contents	#	Capacity	Type	SE GPS
PRODUCED WATER	2	500 BBLS	FIBERGLASS AST	,

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 Sufficent	Base Sufficent	Adequate

Corrective Action _____ Corrective Date _____

Comment _____

Facilities: New Tank Tank ID: _____

Contents	#	Capacity	Type	SE GPS
CRUDE OIL	10	500 BBLS	STEEL AST	,

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 Sufficent	Base Sufficent	Adequate

Corrective Action _____ Corrective Date _____

Comment _____

Venting:	
Yes/No	Comment
NO	

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

Predrill

Location ID: 438495

Site Preparation:

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

S/AV: _____

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

Form 2A COAs:

Group	User	Comment	Date
OGLA	andrewsd	Operator shall provide notice to COGCC 48 hours prior to commencing construction of this Oil and Gas Location via Form 42.	07/31/2014

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

CA: _____ **Date:** _____

Wildlife BMPs:

BMP Type	Comment
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.
Drilling/Completion Operations	A closed –loop system will be used for 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.
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.
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.
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.
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.
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.

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 on Weld County Road 80 & 45 as they lead to the location. These portions of the County Roads will be maintained to control ruts, and impose speed restrictions/speed limits for oilfield traffic. Oilfield traffic will access the location from Weld County Road 43 to the west as much as possible.
Noise mitigation	Noise- 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.
Planning	Fencing: A meeting with the surface owner will determine a fencing plan
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.
Planning	Multi-well Pads are 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.
Construction	Berm Construction: Tanks 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.
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)
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.
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.

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:

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Facility

Facility ID: 438486	Type: WELL	API Number: 123-40014	Status: PR	Insp. Status: PR
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Producing Well

Comment: PR

Complaint

Comment: **Complaint #: 200437727**

Field Inspector Assigned: Gomez, Jason

Complaint Received:

Date: 10/13/2015 Time (Military): 1300Hrs

Contacted by Inspector:

Date: 10/14/2015 Time (Military): 0900 Hrs

Well Number: 05-Choose an item.-Click here to enter text. Location #: 438495

Inspection Document #: 673802599

Complainant: Jamie Presgrove Phone: 970-227-8620

Address: 21995 WCR 80 Eaton, CO 80615

Nature of complaint: Noise/Dust/Property Damage

Field Inspector Actions:

On 10-13-2015, I was contacted by Megan Adamczyk , from the COGCC, in reference to a series of complaints by Jamie Presgrove of Eaton.

I contacted the complaint on 1-14-2015 and she indicated she had been dealing with several issues over the past few months all associated with the Synergy Gies location. The complainat indicated she had been dealing with noise issues as well has dust issues from traffic on the county road, as well as an issue with sandbags which were left in the creek during the frac process.

I performed a thorough site inspection on 10-14-2015 see inspection doc #673802599 for detail, photos and attached sound study. During the site inspection I observed sand bags in the creek where the complaint indicated they were but by the operator during the fac process. I also observed the walls placed around the compressor were not the walls commonly used to mitigate sound. During the inspection I did not smell any odors or observe any spills at the location. I also took photos of the creek side which the complainant indicated was damaged by the high waters.

I contacted Synergy (David Pennington) and advised him of the complaints filled by the complainant. David said he was aware of the noise complaint and of the dust complaint, but he was unaware of the sand bags left in the water. David indicated Synergy is going to be placing a building around the compressor on location to mitigate the noise, David said he would be contacting Weld County about placing mag chloride for dust control, and we would have the sandbags in the creek bed removed.

Summary:
 Upon inspection and as a result of the sound studies performed, no violations of COGCC sound rules were observed at the time of the inspection

Facility ID: 438487	Type: WELL	API Number: 123-40015	Status: PR	Insp. Status: PR
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Producing Well

Comment: PR

Facility ID: 438488	Type: WELL	API Number: 123-40016	Status: PR	Insp. Status: PR
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Producing Well

Comment: PR

Facility ID: 438489 Type: WELL API Number: 123-40017 Status: PR Insp. Status: PR

Producing Well

Comment: PR

Facility ID: 438490 Type: WELL API Number: 123-40018 Status: PR Insp. Status: PR

Producing Well

Comment: PR

Facility ID: 438491 Type: WELL API Number: 123-40019 Status: PR Insp. Status: PR

Producing Well

Comment: PR

Facility ID: 438492 Type: WELL API Number: 123-40020 Status: PR Insp. Status: PR

Producing Well

Comment: PR

Facility ID: 438494 Type: WELL API Number: 123-40022 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): 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: DRY LAND

Comment:

[Empty comment box]

- 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: _____

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? In Segregated soils have been replaced? In

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:

[Empty comment box]

Overall Interim Reclamation

Final Reclamation/ Abandoned Location:

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

Final Land Use: DRY LAND

Reminder:

Comment:

[Empty comment box]

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 _____

Inspector Name: Gomez, Jason

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
Gravel	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
673802603	No Labels on tanks	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3701943
673802604	Walls on compressor	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3701944
673802605	Sand bags left in water	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3701945

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.)