



December 13, 2016

Mr. Chris Canfield
Environmental Protection Specialist
Colorado Oil and Gas Conservation Commission
1120 Lincoln Street, Suite 108
Denver, Colorado 80203

Via Email

**RE: Request for Investigation
Drier, Mary E. 1 Pit (Facility ID 101609)
Weld County, Colorado**

Dear Mr. Canfield:

LT Environmental, Inc. (LTE), on behalf of Synergy Resources Corporation (Synergy) has drafted this report to provide the Colorado Oil and Gas Conservation Commission (COGCC) with a summary of the historical document review of the Drier, Mary E. 1 Pit (Facility ID 101609) (Pit). The legal location of the Pit is the southeast quarter of the northeast quarter of Section 29, Township 1 North, Range 68 West, 6th Principal Meridian. The findings provided in this report are based on the review of historical documents provided by COGCC, Google Earth imagery, and conversations with the COGCC and Synergy.

It is LTE's understanding that the Pit is associated with the M E Drier 1 production well (API # 123-10670). This well was installed by Energy Oil, Inc. in 1982 and transferred ownership multiple times before Synergy purchased it in 2007. This production well was purchased from Synergy by KP Kauffman Company, Inc. (KPK) in the Spring 2016 and a Form 10 Change of Operator was submitted to the COGCC on June 2, 2016. The COGCC denied Certification of Clearance – Change of Operator due to their records indicating that the associated Pit was not adequately closed.

LTE conducted a search on the COGCC website and did not find any documents demonstrating that this Pit was registered with the COGCC by the former owners. Additionally, LTE reviewed Google Earth imagery for evidence of the presence of the Pit. The aerial images available on Google Earth date back to 1993 in this region. Review of these images do not show historical evidence of the presence of a Pit in the location provided by the COGCC. Additionally, LTE did not observe any historical evidence of a pit in the imagery for up to ¼ radius of the location of the production well. It is LTE's understanding that Mr. Chris Canfield of the COGCC reviewed aerial imagery provided by the United States Department of Agriculture – Natural Resources Conservation Commission (NRCS) taken in 1984 through 1985, during the time that the production well was installed and was also unable to find any evidence of the Pit in this location.



Based on these findings, LTE and Synergy feel that there is no evidence supporting the existence of the Pit and requests that the COGCC further investigate their records for documentation. If the COGCC is in agreement that there is no evidence of the existence of this Pit, LTE and Synergy respectfully request that the COGCC remove documentation of this Pit from the public record as a matter of administrative error.

Sincerely,

LT ENVIRONMENTAL, INC.

A handwritten signature in blue ink that reads "Jess Alexander". The signature is written in a cursive, flowing style.

Jess Alexander
Project Scientist



Steve Kahn, P.E.
Vice President

Attachments:



IMAGE COURTESY OF GOOGLE EARTH 1993

LEGEND

-  M E DRIER 1 WELL LOCATION
-  DRIER, MARY E. 1/

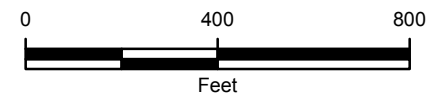


FIGURE 1
SITE MAP - 1993
DRIER, MARY E. 1/ (FACILITY ID: 101609)
WELD COUNTY, COLORADO





SYNERGY RESOURCES CORPORATION



IMAGE COURTESY OF GOOGLE EARTH 2002

LEGEND

-  M E DRIER 1 WELL LOCATION
-  DRIER, MARY E. 1/

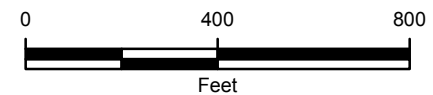


FIGURE 2
SITE MAP - 2002
DRIER, MARY E. 1/ (FACILITY ID: 101609)
WELD COUNTY, COLORADO



SYNERGY RESOURCES CORPORATION



IMAGE COURTESY OF GOOGLE EARTH 2015

LEGEND

- M E DRIER 1 WELL LOCATION
- ⊕ DRIER, MARY E. 1/

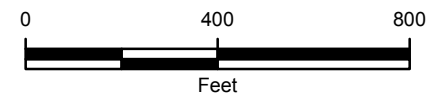


FIGURE 3
SITE MAP - 2015
DRIER, MARY E. 1/ (FACILITY ID: 101609)
WELD COUNTY, COLORADO



SYNERGY RESOURCES CORPORATION