

FORM
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State of Colorado Oil and Gas Conservation Commission

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1/22/2013

ACCIDENT REPORT

As required by Rule 602.b.

Report taken by:

DESCRIPTION OF ACCIDENT (Please be as specific as possible)

Name of Operator: <u>Synergy Resources Corporation</u>	Location
Date of Incident: <u>January 20, 2013 9:15 P.M.</u>	County: <u>Weld</u>
Type of Facility (well, tank battery, flow line, pit): <u>Tank battery</u>	Field Name: <u>Wattenberg</u>
Well Name and Number: <u>Imogene #1, #2, #3</u>	QtrQtr: <u>NWNE</u> Section: <u>14</u>
API Number: <u>123-20127; 123-20117; 123-20116</u>	Township: <u>10N</u> Range: <u>65W</u>
Connect to Accident (land owner, royalty owner, etc.):	Meridian: <u>6th</u>

Provide a detailed description of the accident, problem, and cause (equipment failure, human error, etc.):

The production tank reached a level that caused oil to go down the line to the ECO unit. It caught fire and burned all the oil that was fed to it. There was no significant amount of oil spilled as it was burned as it fed the ECO.

The ECO unit is destroyed, but it did its job. When Synergy personnel arrived on the scene, we shut all valves supplying the ECO and the fire instantly went out. We shut all wells in until all repairs are made.

To ~~prevent~~ make sure this doesn't happen again, we are moving the line feeding the ECO to a higher level on the tank. It was a combination of human error and equipment malfunction, as the line feeding the ECO should have been higher on the tank, but at the same time the tank shouldn't have reached the level it was at.

No emergency agencies were notified as Synergy personnel had the fire quickly under control.

OTHER NOTIFICATIONS

List the parties and agencies notified (County, BLM, EPA, DOT, Local Emergency Planning Coordinator or other).

Date	Agency	Contact Person	Response

Accident Tracking No: _____