



COLORADO

Oil & Gas Conservation
Commission

Department of Natural Resources

1120 Lincoln Street, Suite 801
Denver, CO 80203

March 4, 2016

Thomas Newhofs
13727 Weld County Road 2
Brighton, CO 80603

Dear Mr. Newhofs,

The Colorado Oil and Gas Conservation Commission (COGCC) received your complaint regarding noise and aesthetics at the Eberle 13-32CHZ location operated by Synergy Resources Corporation. The complaint is documented in COGCC document number 200437682, which can be found on the "Complaints" page, off of our main website at <http://cogcc.state.co.us/>. The COGCC investigated this complaint and documented the results in COGCC document number 200439047.

The following actions were taken to address your complaint:

- On 10/05/2015, COGCC inspector Jason Gomez contacted you to discuss your complaint;
- On 10/06/2015, Mr. Gomez preformed a site inspection of the Eberle 13-32CHZ location (documented in Field Inspection Report [FIR] #673802563; attached to this letter);
- During the inspection, Mr. Gomez conducted a sound study, which indicated noise from the location was within compliance with COGCC regulations;
- Mr. Gomez reviewed the Conditions of Approval (COAs) for the location and determined that they require Synergy conduct an 8 foot earthen berm vegetated with wild grasses and evergreen trees and confirmed these interim reclamation requirements had not yet been met;
- Mr. Gomez forwarded the inspection to Dave Paddington of Synergy; and
- Mr. Gomez spoke with Mr. Paddington, who indicated the interim reclamation required elements (berm and trees) would be installed in the spring of 2016, weather permitting.



Mr. Newhofs
March 4, 2016
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At this time the COGCC has determined that no violations occurred related to your complaint. Accordingly, the COGCC has closed the complaint and will not issue a notice of alleged violation (NOAV) related to this complaint.

If you have questions relating to the investigation or if the referenced corrective measures do not take place, please contact me.

Sincerely,



Megan Adamczyk

COGCC Complaint Specialist
303-894-2100 x5145
dnr_cogcc.complaints@state.co.us

Inspector Name: Gomez, Jason

**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

Inspection Date:

10/06/2015

Document Number:

673802563

Overall Inspection:

ACTION REQUIRED**FIELD INSPECTION FORM**

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection <input type="checkbox"/>
	436152	436152	Gomez, Jason	2A Doc Num: _____

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
Paddington, Dave		dpennington@syrginfo.com	All Inspections
Rasmuson, Craig	970-737-1073	crasmuson@syrginfo.com	

Compliance Summary:

QtrQtr: NESE Sec: 32 Twp: 1N Range: 66W

Inspector Comment:**Related Facilities:**

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status	
436150	WELL	PR	11/10/2014	OW	123-38954	Eberle P-32NHZ	PR	X
436151	WELL	PR	11/10/2014	OW	123-38955	Eberle B-32CHZ	PR	X
436153	WELL	PR	12/01/2014	OW	123-38956	Eberle 14-32-31NHZM	PR	X
436154	WELL	PR	11/10/2014	OW	123-38957	Eberle 14-32-31CHZM	PR	X
436155	WELL	PR	11/10/2014	OW	123-38958	Eberle P-32CHZ	PR	X
436156	WELL	PR	11/10/2014	OW	123-38959	Eberle B-32NHZ	PR	X

Equipment:**Location Inventory**

Special Purpose Pits: _____	Drilling Pits: _____	Wells: 6	Production Pits: _____
Condensate Tanks: 12	Water Tanks: 4	Separators: 6	Electric Motors: 1
Gas or Diesel Motors: _____	Cavity Pumps: _____	LACT Unit: _____	Pump Jacks: _____
Electric Generators: _____	Gas Pipeline: _____	Oil Pipeline: _____	Water Pipeline: _____
Gas Compressors: 2	VOC Combustor: 4	Oil Tanks: _____	Dehydrator Units: _____
Multi-Well Pits: _____	Pigging Station: _____	Flare: _____	Fuel Tanks: _____

Location

Inspector Name: Gomez, Jason

Signs/Marker:				
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
TANK LABELS/PLACARDS	SATISFACTORY			
CONTAINERS	SATISFACTORY			
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	ACTION REQUIRED	6 Verticle seperators and piping	Remove or install for use by date listed	04/06/2016
WEEDS	ACTION REQUIRED	All locations, including wells, roads and surface capable of production, including production facilities, shall be kept free of weeds; rubbish, and other waste material.	Remove or remediate weeds from location	11/06/2015

Spills:				
Type	Area	Volume	Corrective action	CA Date
Other	Tank	<= 5 bbls	stained soil in containment area of tank battery. Remove or remediate stained soil	11/06/2015

☐ 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
VRU	3	SATISFACTORY			
Compressor	2	SATISFACTORY			
Gas Meter Run	7	SATISFACTORY			
Plunger Lift	6	SATISFACTORY			
Emission Control Device	8	SATISFACTORY			
Ancillary equipment	5	SATISFACTORY	Methonal pumpw/containment		
Emission Control Device	6	SATISFACTORY			

Facilities:

Inspector Name: Gomez, Jason

New Tank

Tank ID: _____

Contents	#	Capacity	Type	SE GPS
PRODUCED WATER	2	400 BBLs	FIBERGLASS AST	,

S/AV: 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 Sufficient	Base Sufficient	Adequate

Corrective Action

Corrective Date

Comment

Facilities:☐ New Tank

Tank ID: _____

Contents	#	Capacity	Type	SE GPS
CRUDE OIL	12	400 BBLs	STEEL AST	,

S/AV: 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 Sufficient	Base Sufficient	Adequate

Corrective Action

Corrective Date

Comment

Venting:

Yes/No

Comment

NO

Flaring:

Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date

Predrill

Location ID: 436152

Site Preparation:

Lease Road Adeq.: _____

Pads: _____

Soil Stockpile: _____

S/AV: _____

Corrective Action: _____

Date: _____

CDP Num.: _____

Form 2A COAs:

Group	User	Comment	Date
OGLA	youngr	Operator shall identify and sample a water well completed in the alluvial aquifer within a quarter of a mile of the location. The water well sampling, analysis and reporting shall be performed as outlined in Rule 609.d.(1)(2)(4), Rule 609.e. and Rule 609.f.	02/13/2014

S/AV: _____ Comment: _____

CA: _____

Date: _____

Wildlife BMPs:

BMP Type	Comment
Noise mitigation	Synergy is working with Xcel Energy to purchase electricity for this production facility to minimize noise and emissions from the Vapor Recovery unit and the compressors planned for the location.
Storm Water/Erosion Control	The attachment "other", titled "Location Stormwater Plan" details permanent site berms that are designed to protect the downstream irrigation ditch from spill or releases originating at the location. Synergy will continue the two to three foot earthen berm to insure containment of the Southern, Western and Northern edges of the drilling and production facility pad. This is shown on the plat forwarded to COGCC on 2-7-14. This will contain the storm-water on location. Brighton suggested that an water pooled be tested prior to be released though a valve and ultimately finding its way to the Fulton Ditch. Synergy's position would be that any water that pools behind the earthen berm will be Super-vac'd up by Synergy's third party contractor and taken to a certified disposal.
Interim Reclamation	Synergy will construct a permanent eight- foot (8') earthen berm that will visually mitigate the location to neighbors on the South and West sides of the proposed location. Upon reclamation of the location- the berm with remain and be planted with wild grasses and evergreen trees to enhance the visual mitigation of the production facility.
Material Handling and Spill Prevention	Synergy will install groundwater monitoring wells around the production facility.
Material Handling and Spill Prevention	Synergy is committed to add Full Automation to the Tank Battery Construction. This automation has the ability to shut-in any well or well(s) in the event of an abnormal situation. An example of an abnormal situation would be a change in pressure- a valve frozen open or closed, and production tank leaking production and/or emissions, an Emission Control device malfunctioning or any other situation that could lead to an event that any operator would not deem normal. Synergy's practice is to have "Boots on the Ground" daily for all locations. The Automation does not take place of having our well operator visit each location daily to insure safety and normal efficient production occurring.
Traffic control	Synergy will enhance the integrity of CR 29 and incorporate dust abatement onto the road and the private access and location to mitigate the dust from the drilling and completion activities.
Noise mitigation	Synergy will contract to install a temporary sound and light wall – 30' in height – to surround the entire location for the process of drilling and completion.
Traffic control	Synergy will utilize piping of completion water to minimize the truck traffic by 80% plus during completion operations.
Storm Water/Erosion Control	The Hay bales that will be added to the berm for the drilling and completion phases are a third level of storm-water containment. The Berm, the Hay bales and a pulled bmp ditch will be the three levels. Upon Approval of the 2A- Synergy will submit its final plat to the CDPHE for our Storm-water Management Permit approval from them.
Dust control	Synergy will require our third party completions contractor to use the Sierra dust control system as we transfer sand for the completions process. This will mitigate and control all silicate sand during completions.

S/AV: _____ Comment: _____

Inspector Name: Gomez, Jason

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: 436150 Type: WELL API Number: 123-38954 Status: PR Insp. Status: PR

Producing Well

Comment: PR

ComplaintComment: **Complaint #: 200437682****Field Inspector Assigned: Gomez, Jason****Complaint Received:****Date: 10/05/2015 Time (Military): 1530Hrs****Contacted by Inspector:****Date: 10/05/2015 Time (Military): 1540 Hrs****Well Number: 05-Choose an item.-Click here to enter text. Location #: 436152****Inspection Document #: 673802563****Complainant: Thomas Newhofs Phone: 303-659-7562****Address: 13727 WCR2, Brighton, CO 80603****Nature of complaint: Noise****Field Inspector Actions:**

On 10-5-2015 I was contacted by the COGCC office in reference to a noise complaint which had been filled on 9-25-2015. The complainant had indicated he had been dealing with noise coming from a fan coming from a compressor on the location to the southeast of his residence. The complaint said they had placed a wall up around the compressor but the wall was not an acoustic mitigation wall. The complainant also said the interim reclamation had also not been completed according to the COA's on file.

After speaking with the complainant I went to the location and performed a sound study and a site inspection. See inspection document #673802563 for results of sound study and photos of location.

According to COA attached to the inspection document the COA for the interim reclamation "Synergy will construct a permanent eight- foot (8') earthen berm that will visually mitigate the location to neighbors on the South and West sides of the proposed location. Upon reclamation of the location- the berm will remain and be planted with wild grasses and evergreen trees to enhance the visual mitigation of the production facility." According to photos of the site it does not appear as the interim reclamation as been completed to comply with COGCC COA's at this location

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. A review of the COA's on the location will be forwarded to the COGCC office and the Synergy.

Facility ID: 436151 Type: WELL API Number: 123-38955 Status: PR Insp. Status: PR

Producing WellComment: **PR**

Facility ID: 436153 Type: WELL API Number: 123-38956 Status: PR Insp. Status: PR

Producing WellComment: **PR**

Facility ID: 436154 Type: WELL API Number: 123-38957 Status: PR Insp. Status: PR

Producing WellComment: **PR**

Facility ID: 436155 Type: WELL API Number: 123-38958 Status: PR Insp. Status: PR

Producing WellComment: **PR**

Inspector Name: Gomez, Jason

Facility ID: 438156 Type: WELL API Number: 123-38959 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:

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: RANGELAND, RESIDENTIAL

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?

Inspector Name: Gomez, Jason

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: RANGELAND, RESIDENTIAL _____

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 ☐

Storm Water:

Loc Erosion BMPs	BMP Maintenance	Lease Road Erosion BMPs	Lease BMP Maintenance	Chemical BMPs	Chemical BMP Maintenance	Comment
Waddles	Pass					
Gravel	Pass					
Rip Rap	Pass					
Culverts	Pass					

S/AV: SATISFACTOR _____ Corrective Date: _____

Y

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
673802567	Sound study	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3699394
673802568	Sound wall on location	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3699395
673802569	Weeds on location	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3699396
673802570	Stained soil in berm containment	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3699397
673802571	Unused pipe on location	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3699398
673802572	Berm wall on SW corner of location	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3699399

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.)