

FORM
2

Rev
12/05

State of Colorado
Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80205 Phone: (303) 894-2100 Fax: (303) 894-2109



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APPLICATION FOR PERMIT TO:

1. ☒ Drill, ☐ Deepen, ☐ Re-enter, ☐ Recomplete and Operate

2. TYPE OF WELL

OIL ☐ GAS ☒ COALBED ☐ OTHER _____
SINGLE ZONE ☐ MULTIPLE ZONE ☐ COMMINGLE ZONE ☐

Refilling ☒

Sidetrack ☐

Document Number:

400030589

Plugging Bond Surety

20090043

3. Name of Operator: SYNERGY RESOURCES CORPORATION

4. COGCC Operator Number: 10311

5. Address: 20203 HIGHWAY 60

City: PLATTEVILLE State: CO Zip: 80651

6. Contact Name: Ed Holloway Phone: (970)737-1073 Fax: (970)737-1045

Email: pm3rsandquist@aol.com

7. Well Name: SRC State Well Number: 16HD

8. Unit Name (if appl): _____ Unit Number: _____

9. Proposed Total Measured Depth: 7800

WELL LOCATION INFORMATION

10. QtrQtr: NESW Sec: 16 Twp: 4N Rng: 67W Meridian: 6

Latitude: 40.309520 Longitude: -104.900652

Footage at Surface: 1436 FNL/FSL FSL 1422 FEL/FWL FWL

11. Field Name: Wattenberg Field Number: 90750

12. Ground Elevation: 4896 13. County: WELD

14. GPS Data:

Date of Measurement: 12/17/2009 PDOP Reading: 1.3 Instrument Operator's Name: John C. Barickman

15. If well is ☒ Directional ☐ Horizontal (highly deviated) **submit deviated drilling plan.**

Footage at Top of Prod Zone: FNL/FSL 1320 FSL 100 FWL FWL Bottom Hole: FNL/FSL 1320 FSL 100 FWL FWL
Sec: 16 Twp: 4N Rng: 67W Sec: 16 Twp: 4N Rng: 67W

16. Is location in a high density area? (Rule 603b)? ☐ Yes ☒ No

17. Distance to the nearest building, public road, above ground utility or railroad: 1357 ft

18. Distance to nearest property line: 130 ft 19. Distance to nearest well permitted/completed in the same formation: 789 ft

20. LEASE, SPACING AND POOLING INFORMATION

Objective Formation(s)	Formation Code	Spacing Order Number(s)	Unit Acreage Assigned to Well	Unit Configuration (N/2, SE/4, etc.)
J SAND	JSND		160	GWA
Niobrara/Codell	NB-CD	407-87	160	GWA

21. Mineral Ownership: ☐ Fee ☒ State ☐ Federal ☐ Indian Lease #: 88/5056-S

22. Surface Ownership: ☒ Fee ☐ State ☐ Federal ☐ Indian

23. Is the Surface Owner also the Mineral Owner? ☐ Yes ☒ No Surface Surety ID#:

23a. If 23 is Yes: Is the Surface Owner(s) signature on the lease? ☐ Yes ☐ No

23b. If 23 is No ☒ Surface Owners Agreement Attached or ☐ \$25,000 Blanket Surface Bon ☐ \$2,000 Surface Bond ☐ \$5,000 Surface Bond

24. Using standard QtrQtr, Sec, Twp, Rng format enter entire mineral lease description upon which this proposed wellsite is located (attach separate sheet/map if you prefer):
S/2, Sec. 16, 4N, 67W

25. Distance to Nearest Mineral Lease Line: 100 ft 26. Total Acres in Lease: 320

DRILLING PLANS AND PROCEDURES

27. Is H2S anticipated? ☐ Yes ☒ No If Yes, attach contingency plan.

28. Will salt sections be encountered during drilling? ☐ Yes ☒ No

29. Will salt (>15,000 ppm TDS CL) or oil based muds be used during drilling? ☐ Yes ☒ No

30. If questions 27 or 28 are yes, is this location in a sensitive area (Rule 903)? ☐ Yes ☐ No If 28, 29, or 30 are "Yes" a pit permit may be required.

31. Mud disposal: ☒ Offsite ☐ Onsite

Method: ☒ Land Farming ☐ Land Spreading ☐ Disposal Facility Other: _____

Note: The use of an earthen pit for Recompletion fluids requires a pit permit (Rule 905b). If air/gas drilling, notify local fire officials.

Casing Type	Size of Hole	Size of Casing	Weight Per Foot	Setting Depth	Sacks Cement	Cement Bottom	Cement Top
SURF	12+1/4	8+5/8	24	580	300	580	0
1ST	7+7/8	4+1/2	11.6	7,800	490	7,800	200

32. BOP Equipment Type: ☒ Annular Preventer ☐ Double Ram ☐ Rotating Head ☐ None

33. Comments No Conductive Surface Casing Will Be Used. Proposed spacing unit is W/2SW4 SEC 16; E/2SE4 SEC 17. Location is less tha 150 feet from the property line; exception granted Operator requests approval of Rule 603.a.(2) exception location for well location 86' from nearest property line, signed waiver attached. (jps 4/9/10)

34. Location ID: 332784

35. Is this application in a Comprehensive Drilling Plan ? ☐ Yes ☒ No

36. Is this application part of submitted Oil and Gas Location Assessment ? ☒ Yes ☐ No

I hereby certify all statements made in this form are, to the best of my knowledge, true, correct, and complete.

Signed: _____ Print Name: Craig Rasmuson

Title: Mgr of Land & Field Ops Date: 1/21/2010 Email: craigrasmuson@comcast.net

Based on the information provided herein, this Application for Permit-to-Drill complies with COGCC Rules and applicable orders and is hereby approved.

COGCC Approved: David S. Nashin Director of COGCC Date: 4/9/2010

API NUMBER

05 123 29539 00

Permit Number: _____ Expiration Date: 4/8/2012

CONDITIONS OF APPROVAL, IF ANY:

All representations, stipulations and conditions of approval stated in the Form 2A for this location shall constitute representations, stipulations and conditions of approval for this Form 2 Permit-to-Drill and are enforceable to the same extent as all other representations, stipulations and conditions of approval stated in this Permit-to-Drill.

Location is less tha 150 feet from the property line; exception granted

1) Provide 24 hour notice of MIRU to Bo Brown at 970-330-6085 or e-mail at bo.brown@state.co.us. 2) Comply with Rule 317.i and provide cement coverage from TD to a minimum of 200' above Niobrara and from 200' below Shannon to 200' above Shannon. Verify coverage with cement bond log. 3) Comply with Rule 321. Run and submit Directional Survey from TD to base of surface casing. Ensure that the wellbore complies with setback requirements in commission orders or rules prior to producing the well.

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Attachment Check List

Att Doc Num	Name	Doc Description
400030589	APD APPROVED	400030589.pdf
400030967	MULTI-WELL PLAN	LF@2222081 400030967
400030969	WELL LOCATION PLAT	LF@2222082 400030969
400030974	EXCEPTION LOC WAIVERS	LF@2222083 400030974
400030976	SURFACE OWNER CONSENT	LF@2222084 400030976
400030977	SURFACE AGRMT/SURETY	LF@2222085 400030977
400030992	EXCEPTION LOC WAIVERS	LF@2222086 400030992
400030993	DEVIATED DRILLING PLAN	LF@2222087 400030993
400030994	PROPOSED SPACING UNIT	LF@2222088 400030994
400031009	PROPOSED SPACING UNIT	LF@2222089 400031009
400031010	PROPOSED SPACING UNIT	LF@2222090 400031010
400031102	FORM 2 SUBMITTED	LF@2222091 400031102

Total Attach: 12 Files

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