

December 19, 2011

Margil Farms LLC C/o Roger Olson PO Box 86 Johnstown, CO 80534

Re: Request for Exception to Rule 318A(a)

Margil 33-34D, 34-34D, 43-34D, 44-34D, 34PD, 34DD and 34TD

531' FSL / 1228' FEL

Township 4 North, Range 68 West

Section 34: SE/4

Weld County, Colorado

Dear Mr. Olson,

Synergy Resources Corporation plans to drill the above oil and gas well from the above described surface location.

Rule 318A(a) of the Colorado Oil and Gas Commission's Rules and Regulation requires the well(s) drilled in a square with sides four hundred (400) feet in length, the center of which is the center of any quarter/quarter or a square with sides eight hundred (800) feet in length, the center of which is the center of the quarter section.

Please waive this requirement below showing your approval of the new well(s) being drilled at the location referenced above. Should you have any questions, please contact Craig Rasmuson at 970-737-1073.

Sincerely,

Craig Rasmuson

Synergy Resources Corporation

Roger Olson

Date: 12-21-11