

FORM  
2

Rev  
12/05

State of Colorado  
Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80203 Phone: (303) 894-2100 Fax: (303) 894-2109



Document Number:

400423895

Date Received:

05/24/2013

PluggingBond SuretyID

20090043

APPLICATION FOR PERMIT TO:

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

2. TYPE OF WELL

OIL  GAS  COALBED  OTHER \_\_\_\_\_  
SINGLE ZONE  MULTIPLE  COMMINGLE

Refiling

Sidetrack

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: Brianne Visconti Phone: (970)737-1073 Fax: (970)737-1045

Email: bvisconti@syrinfo.com

7. Well Name: SRC Leffler Well Number: 14-26NHZ

8. Unit Name (if appl): \_\_\_\_\_ Unit Number: \_\_\_\_\_

9. Proposed Total Measured Depth: 11885

WELL LOCATION INFORMATION

10. QtrQtr: NWNW Sec: 26 Twp: 7N Rng: 66W Meridian: 6

Latitude: 40.552880 Longitude: -104.750803

Footage at Surface: 190 feet FNL 964 feet FWL

11. Field Name: Wattenberg Field Number: 90750

12. Ground Elevation: 4900 13. County: WELD

14. GPS Data:

Date of Measurement: 04/11/2013 PDOP Reading: 1.3 Instrument Operator's Name: Aaron Demo

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

Footage at Top of Prod Zone: 460 FNL 664 FWL 495 FSL 563 FWL  
Bottom Hole: 495 FSL 563 FWL  
Sec: 26 Twp: 7N Rng: 66W Sec: 26 Twp: 7N Rng: 66W

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: 162 ft

18. Distance to nearest property line: 190 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 56 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.)
NIOBRARA	NBRR		320	GWA

21. Mineral Ownership:  Fee  State  Federal  Indian Lease #: \_\_\_\_\_

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 Bond  \$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):

W/2 of Section 26, 7N, 66W

25. Distance to Nearest Mineral Lease Line: 460 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 28 or 29 are yes, is this location in a sensitive area (Rule 901.e)?  Yes  No

31. Mud disposal:  Offsite  Onsite

If 28, 29, or 30 are "Yes" a pit permit may be required.

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	Wt/Ft	Csg/Liner Top	Setting Depth	Sacks Cmt	Cmt Btm	Cmt Top
SURF	12+1/4	9+5/8	36	0	540	160	540	0
1ST	8+5/8	7	26	0	7,523	810	7,523	
1ST LINER	6+1/8	4+1/2	11.6	6757	11,885			

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

33. Comments  Conductor casing will not be used.  Operator request an exception location per rule 318 A.a. Request letter and waiver are attached.  Operator requests the proposed spacing unit: W/2 Section 26

34. Location ID: \_\_\_\_\_

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: VP Operations Date: 5/24/2013 Email: crasmuson@syrginfo.com

Operator must have a valid water right or permit allowing for industrial use or purchased water from a seller that has a valid water right or permit allowing for industrial use, otherwise an application for a change in type of use is required under Colorado law. Operator must also use the water in the location set forth in the water right decree or well permit, otherwise an application for a change in place of use is required under Colorado law. Section 37-92-103(5), C.R.S. (2011).

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: Matthew Lee Director of COGCC Date: 6/21/2013

**API NUMBER**

05 123 37583 00

Permit Number: \_\_\_\_\_ Expiration Date: 6/20/2015

**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.

Above ground utility closer than 200'. Rig height cannot exceed 127'.

Operator must meet water well testing requirements per Rule 318A.

1)Note surface casing setting depth change from 500' to 540'. Increase cement coverage accordingly and cement to surface.  
 2)Provide notice of MIRU via an electronic Form 42.  
 3)Comply with Rule 317.i and provide cement coverage to a minimum of 200' above the Niobrara. Verify cement coverage with a cement bond log per 317.o.

**Applicable Policies and Notices to Operators**

Notice Concerning Operating Requirements for Wildlife Protection.

Policy for Bradenhead Monitoring During Hydraulic Fracturing Treatments in the Greater Wattenberg Area.

**Attachment Check List**

Att Doc Num	Name
2114136	OFFSET WELL EVALUATION
2114137	VARIANCE REQUEST
2482408	SURFACE CASING CHECK
400423895	FORM 2 SUBMITTED
400423900	DIRECTIONAL DATA
400423901	PROPOSED SPACING UNIT
400423902	PLAT
400423903	DEVIATED DRILLING PLAN
400423904	EXCEPTION LOC WAIVERS
400423905	EXCEPTION LOC REQUEST

Total Attach: 10 Files

**General Comments**

<b><u>User Group</u></b>	<b><u>Comment</u></b>	<b><u>Comment Date</u></b>
Permit	30 day certification letter should say "horizontal well" instead of "boundary well." Changed comment line 33 to describe Proposed Spacing Unit. Attached Offset Well Evaluation spreadsheet. Attached Variance Request letters for Leffler 14-26D and 13-26D. Ready to pass.	6/17/2013 11:39:15 AM
Permit	Closest completed/permitted well is Leffler 14-26D at 56'. Changed mud disposal to offsite disposal facility to match 2A. Ok'd by operator.	3/4/2013 1:27:17 PM
Engineer	Evaluated offset wells for adequate isolation.	5/30/2013 12:35:06 PM

Total: 3 comment(s)

## BMP

<u>Type</u>	<u>Comment</u>
Drilling/Completion Operations	Anti-collision: Prior to drilling operations, Operator will perform an anti-collision scan of existing offset wells that have the potential of being within close proximity of the proposed well. This anti-collision scan will include definitive MWD or gyro surveys of the offset wells with included error of uncertainty per survey instrument, and compared against the proposed wellpath with its respective error of uncertainty. If current surveys do not exist for the offset wells, Operator may have gyro surveys conducted to verify bottomhole location. The proposed well will only be drilled if the anti-collision scan results indicate that there is not a risk for collision, or harm to people or the environment. For the proposed well, upon conclusion of drilling operations, an as-constructed gyro survey will be submitted to COGCC with the Form 5.
Drilling/Completion Operations	Operator will comply with COGCC Policy for Bradenhead Monitoring During Hydraulic Fracturing Treatments in the Greater Wattenberg Area dated May 29, 2012.

Total: 2 comment(s)