

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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Document Number:
1692716
Plugging Bond Surety
20090043

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

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: ED HOLLOWAY Phone: (970)737-1073 Fax: (970)737-1045
Email: CRAIGRASMUSON@COMCAST.NET

7. Well Name: SRC STATE Well Number: 33-16D

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

9. Proposed Total Measured Depth: 7782

WELL LOCATION INFORMATION

10. QtrQtr: NESW Sec: 16 Twp: 4N Rng: 67W Meridian: 6
Latitude: 40.309375 Longitude: -104.896668

Footage at Surface: 1405 FNL/FSL FSL 2532 FEL/FWL FWL

11. Field Name: WATTENBERG Field Number: 90750

12. Ground Elevation: 4908 13. County: WELD

14. GPS Data:

Date of Measurement: 10/14/2009 PDOP Reading: 1.7 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 1966 FEL/FWL FSL 2026 FEL FEL FNL/FSL 1966 FEL/FWL FSL 2026 FEL FEL
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: 1000 ft

18. Distance to nearest property line: 155 ft 19. Distance to nearest well permitted/completed in the same formation: 783 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	232-23	320	S2
NIOBRARA/CODELL	NB-CD	407-87	80	W2SE4

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: 1260 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	590	300	590	0
1ST	7+7/8	4+1/2	11.6	7,800	490	7,800	

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

33. Comments NO CONDUCTOR CASING WILL BE USED

34. Location ID: 302650

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 LAND & FIELD OPER Date: 10/27/2009 Email: CRAIGRASMUSON@COMCA

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: 11/18/2009

API NUMBER
05 123 30743 00

Permit Number: _____ Expiration Date: 11/17/2010

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.

SYNERGY HAS OBTAINED WAIVERS FROM THE LGD, SURFACE OWNER, AND OPERATOR TO WAIVE THE WHOA PERIOD (305d1,2)

1) Provide 24 hour notice of MIRU to Ed Binkley at 970-506-9834 or e-mail at ed.binkley@state.co.us 2) Comply with Rule 317.i and provide cement coverage from TD to a minimum of 200' above Niobrara. Verify coverage with cement bond log. 3) Run and submit Directional Survey from TD to base of surface casing. The operator shall comply with Rule 321, and it shall be the operator's responsibility to ensure that the wellbore complies with setback requirements in commission orders or rules prior to producing the well.

Attachment Check List

Att Doc Num	Name	Doc Description
1692705	EXCEPTION LOC REQUEST	LF@2167858 1692705
1692716	APD ORIGINAL	LF@2167852 1692716
1692729	WELL LOCATION PLAT	LF@2167854 1692729
1692730	DEVIATED DRILLING PLAN	LF@2167856 1692730
1759619	EXCEPTION LOC WAIVERS	LF@2174312 1759619
1759624	SURFACE AGRMT/SURETY	LF@2174313 1759624
1759626	30 DAY NOTICE LETTER	LF@2174314 1759626
1759632	WAIVERS	LF@2174315 1759632
400012033	FORM 2 SUBMITTED	LF@2168737 400012033

Total Attach: 9 Files