

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 ☐

Refiling ☐
Sidetrack ☐

Document Number:

400051023

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: Rhonda Sandquist Phone: (970)737-1073 Fax: (970)737-1045

Email: pm3rsandquist@aol.com

7. Well Name: SRC M&T Farms Well Number: 10DD

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

9. Proposed Total Measured Depth: 7320

WELL LOCATION INFORMATION

10. QtrQtr: SWSE Sec: 10 Twp: 6N Rng: 65W Meridian: 6

Latitude: 40.495389 Longitude: -104.647250

Footage at Surface: 658 FNL/FSL FSL 2004 FEL/FWL FEL

11. Field Name: Wattenberg Field Number: 90750

12. Ground Elevation: 4747 13. County: WELD

14. GPS Data:

Date of Measurement: 01/19/2010 PDOP Reading: 2.2 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 1358 FSL 1326 FEL 1358 FEL 1326 FEL
Sec: 10 Twp: 6N Rng: 65W Sec: 10 Twp: 6N Rng: 65W

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: 510 ft

18. Distance to nearest property line: 369 ft 19. Distance to nearest well permitted/completed in the same formation: 930 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/Codell	NB-CD	407-87	160	SE/4

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#: 20090044

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):
SE/4 - Sec. 10, T6N, R65W

25. Distance to Nearest Mineral Lease Line: 650 ft 26. Total Acres in Lease: 160

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	520	300	520	0
1ST	7+7/8	4+1/2	11.6	7,320	220	7,320	200

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

33. Comments No Conductive Surface Casing Will Be Used

34. Location ID: 417359

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: 4/21/2010 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: 6/11/2010

API NUMBER

05 123 31724 00

Permit Number: _____ Expiration Date: 6/10/2012

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.

- 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) 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.

Attachment Check List

Att Doc Num	Name	Doc Description
2553484	SURFACE CASING CHECK	LF@2472211 2553484
400051023	FORM 2 SUBMITTED	LF@2456111 400051023
400056934	MULTI-WELL PLAN	LF@2456112 400056934
400056935	30 DAY NOTICE LETTER	LF@2456113 400056935
400056936	ACCESS ROAD MAP	LF@2456114 400056936
400056937	OIL & GAS LEASE	LF@2456115 400056937
400056938	WELL LOCATION PLAT	LF@2456116 400056938
400056939	DEVIATED DRILLING PLAN	LF@2456117 400056939

Total Attach: 8 Files