

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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|----|----|----|----|
| DE | ET | OE | ES |
|----|----|----|----|

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:
400099479
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: rsandquist@syrqinfo.com

7. Well Name: SRC Pratt Well Number: 24-29D

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

9. Proposed Total Measured Depth: 8160

WELL LOCATION INFORMATION

10. QtrQtr: SWSW Sec: 29 Twp: 1N Rng: 68W Meridian: 6
Latitude: 40.017779 Longitude: -105.032669

Footage at Surface: 1100 feet ^{FNL/FSL} FSL 1183 feet ^{FEL/FWL} FWL

11. Field Name: Wattenberg Field Number: 90750

12. Ground Elevation: 5142 13. County: WELD

14. GPS Data:

Date of Measurement: 12/23/2010 PDOP Reading: 1.1 Instrument Operator's Name: Mark A. Hall

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

Footage at Top of Prod Zone: ^{FNL/FSL} 662 ^{FSL} FSL 1968 ^{FWL} FWL Bottom Hole: ^{FNL/FSL} 662 ^{FSL} FSL 1968 ^{FWL} FWL
Sec: 29 Twp: 1N Rng: 68W Sec: 29 Twp: 1N Rng: 68W

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: 1250 ft

18. Distance to nearest property line: 77 ft 19. Distance to nearest well permitted/completed in the same formation: 1980

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 | 80 | E/2SW/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#: _____

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 & NE/4 Section 29, T1N, R68W

25. Distance to Nearest Mineral Lease Line: 1100 26. Total Acres in Lease: 480

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 | 8+5/8 | 24 | 0 | 900 | 430 | 900 | 0 |
| 1ST | 7+7/8 | 4+1/2 | 11.6 | 0 | 8,160 | 550 | 8,160 | 200 |

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

33. Comments No Conductive Surface Casing Will Be Used. Synergy Resources Corporation requests approval of a Rule 603.a.(2) exception location: Wellhead is to be located less than 150' from a property line.

34. Location ID: 318975

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 Ops. Date: 1/23/2011 Email: casmuson@syrginfo.com

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. Neslin Director of COGCC Date: 2/16/2011

API NUMBER
05 123 32971 00

Permit Number: _____ Expiration Date: 2/15/2013

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 Jim Precup at 303-469-1902 or e-mail at james.precup@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 Sussex to 200' above Sussex. 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 |
|-------------|-----------------------|
| 400099479 | FORM 2 SUBMITTED |
| 400126615 | ACCESS ROAD MAP |
| 400126616 | 30 DAY NOTICE LETTER |
| 400126618 | SURFACE AGRMT/SURETY |
| 400126621 | MULTI-WELL PLAN |
| 400126622 | OIL & GAS LEASE |
| 400126624 | WELL LOCATION PLAT |
| 400126625 | DRILLING PLAN |
| 400126626 | EXCEPTION LOC WAIVERS |
| 400126627 | EXCEPTION LOC REQUEST |
| 400126686 | NRCS MAP UNIT DESC |

Total Attach: 11 Files

General Comments

| <u>User Group</u> | <u>Comment</u> | <u>Comment Date</u> |
|-------------------|----------------|---------------------|
| | | |

Total: 0 comment(s)

BMP

| <u>Type</u> | <u>Comment</u> |
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Total: 0 comment(s)