

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		<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:25%;">DE</td> <td style="width:25%;">ET</td> <td style="width:25%;">OE</td> <td style="width:25%;">ES</td> </tr> </table>	DE	ET	OE	ES
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:
 400131419
 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@syrginfo.com

7. Well Name: SRC Pratt Well Number: 24-2D

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

9. Proposed Total Measured Depth: 8174

WELL LOCATION INFORMATION

10. QtrQtr: NESW Sec: 2 Twp: 4N Rng: 68W Meridian: 6
 Latitude: 40.339848 Longitude: -104.975018

Footage at Surface:	<u>1572</u> feet	FNL/FSL	<u>FSL</u>	<u>1335</u> feet	FEL/FWL	<u>FWL</u>
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11. Field Name: Wattenberg Field Number: 90750

12. Ground Elevation: 5003 13. County: WELD

14. GPS Data:

Date of Measurement: 01/06/2011 PDOP Reading: 2.3 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	FEL/FWL	Bottom Hole:	FNL/FSL	FEL/FWL
<u>660</u>	<u>FSL</u>	<u>1955</u>	<u>660</u>	<u>FSL</u>	<u>1955</u>
<u>660</u>	<u>FSL</u>	<u>1955</u>	<u>660</u>	<u>FSL</u>	<u>1955</u>
Sec: <u>2</u>	Twp: <u>4N</u>	Rng: <u>68W</u>	Sec: <u>2</u>	Twp: <u>4N</u>	Rng: <u>68W</u>

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: 1174 ft

18. Distance to nearest property line: 530 ft 19. Distance to nearest well permitted/completed in the same formation: 1130 ft

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	W2
Niobrara/Codell	NB-CD	407-87	80	E/2 SW/4

IMPORTANT: SOME DATA FIELDS HAVE BEEN MODIFIED.

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):
SW/4 Section 2, T4N, R68W
25. Distance to Nearest Mineral Lease Line: 660 ft 26. Total Acres in Lease: 149

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	550	350	550	0
1ST	7+7/8	4+1/2	11.6	0	8,174	410	8,174	200

32. BOP Equipment Type: Annular Preventer Double Ram Rotating Head None
33. Comments no conductive surface casing will be used.

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: Mgr of Land & Field Ops Date: 2/23/2011 Email: crasmuson@syrinfo.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. Nesline Director of COGCC Date: 3/25/2011

API NUMBER
05 123 33218 00

Permit Number: _____ Expiration Date: 3/24/2013

CONDITIONS OF APPROVAL, IF ANY:

IMPORTANT: SOME DATA FIELDS HAVE BEEN MODIFIED.

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 Bo Brown at 970-397-4124 or e-mail at bo.brown@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
400131419	FORM 2 SUBMITTED
400132202	WELL LOCATION PLAT
400132203	OIL & GAS LEASE
400132205	MULTI-WELL PLAN
400132213	ACCESS ROAD MAP
400132218	NRCS MAP UNIT DESC
400132219	NRCS MAP UNIT DESC
400132260	SURFACE OWNER CONSENT
400134200	DEVIATED DRILLING PLAN

Total Attach: 9 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	---HOLD OFF-Operator declaring W2, will be submitting APD's for NW4	3/10/2011 10:55:40 AM
Permit	---====Changed nearest well to pending pratt 2B. This interpretation/accuracy may be subject to change.	3/9/2011 11:52:47 AM
Permit	-----Within 800' window, closer than 50' from pending wells to west	3/9/2011 11:45:31 AM
Permit	--====ON HOLD-318A.a.(4)A --Operator Wants smaller than 320 for J-SAND--- Reviewed	3/9/2011 11:25:07 AM

Total: 4 comment(s)

BMP

<u>Type</u>	<u>Comment</u>

Total: 0 comment(s)