


<b>FORM</b> <b>2</b> Rev 12/05	<b>State of Colorado</b> <b>Oil and Gas Conservation Commission</b> 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				
<b>APPLICATION FOR PERMIT TO:</b>			Document Number:  400177035  Plugging Bond Surety  20090043				
1. <input checked="" type="checkbox"/> <b>Drill,</b> <input type="checkbox"/> Deepen, <input type="checkbox"/> Re-enter, <input type="checkbox"/> Recomplete and Operate							
2. TYPE OF WELL OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> COALBED <input type="checkbox"/> OTHER _____ SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input checked="" type="checkbox"/> COMMINGLE ZONE <input type="checkbox"/>		Refiling <input type="checkbox"/> Sidetrack <input type="checkbox"/>					
3. Name of Operator: <u>SYNERGY RESOURCES CORPORATION</u> 4. COGCC Operator Number: <u>10311</u>							
5. Address: <u>20203 HIGHWAY 60</u> City: <u>PLATTEVILLE</u> State: <u>CO</u> Zip: <u>80651</u>							
6. Contact Name: <u>Kori Thoren</u> Phone: <u>(970)737-1073</u> Fax: <u>(970)737-1045</u> Email: <u>kthoren@syrginfo.com</u>							
7. Well Name: <u>Klein</u> Well Number: <u>33-8D</u>							
8. Unit Name (if appl): _____    Unit Number: _____							
9. Proposed Total Measured Depth: <u>8203</u>							
<b>WELL LOCATION INFORMATION</b>							
10. QtrQtr: <u>SWSE</u> Sec: <u>8</u> Twp: <u>4N</u> Rng: <u>67W</u> Meridian: <u>6</u> Latitude: <u>40.320790</u> Longitude: <u>-104.914224</u>							
Footage at Surface: <u>191</u> feet    FNL/FSL <u>FSL</u> 2297 feet    FEL/FWL <u>FEL</u>							
11. Field Name: <u>Wattenberg</u> Field Number: <u>90750</u>							
12. Ground Elevation: <u>4794</u> 13. County: <u>WELD</u>							
14. GPS Data: Date of Measurement: <u>01/13/2011</u> PDOP Reading: <u>1.3</u> Instrument Operator's Name: <u>Mark Hall</u>							
15. If well is <input checked="" type="checkbox"/> Directional <input type="checkbox"/> Horizontal (highly deviated) <b>submit deviated drilling plan.</b> Footage at Top of Prod Zone:    FNL/FSL    FEL/FWL    Bottom Hole:    FNL/FSL    FEL/FWL <u>1964</u> <u>FSL</u> <u>1858</u> <u>FEL</u> <u>1964</u> <u>FSL</u> <u>1858</u> <u>FEL</u> Sec: <u>8</u> Twp: <u>4N</u> Rng: <u>67W</u> Sec: <u>8</u> Twp: <u>4N</u> Rng: <u>67W</u>							
16. Is location in a high density area? (Rule 603b)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No							
17. Distance to the nearest building, public road, above ground utility or railroad: <u>176 ft</u>							
18. Distance to nearest property line: <u>190 ft</u> 19. Distance to nearest well permitted/completed in the same formation: <u>900 ft</u>							
20. <b>LEASE, SPACING AND POOLING INFORMATION</b>							
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	E/2			
Niobrara/Codell	NB-CD	407-87	80	N/2SE/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 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):  
SWSE Sec. 8, T4N-R67W

25. Distance to Nearest Mineral Lease Line: \_\_\_\_\_ 630 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 28 or 29 are yes, is this location in a sensitive area (Rule 901.e)? ☐ Yes ☐ No

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	Wt/Ft	Csg/Liner Top	Setting Depth	Sacks Cmt	Cmt Btm	Cmt Top
SURF	12+1/4	8+5/8	24	0	550	360	550	0
1ST	7+7/8	4+1/2	11.6	0	8,203	390	8,203	200

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

33. Comments No conductive surface casing will be used. rig height 104'. Operator requests approval of a Rule 318Aa exception location: Wellhead is to be located outside of a GWA drilling window and will be located more than 50' from an existing well location. Attached Exception Location Request and Waiver.

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: 6/27/2011 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: 7/27/2011

**API NUMBER**

05 123 34055 00

Permit Number: \_\_\_\_\_ Expiration Date: 7/26/2013

**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.**

Wellhead is 176' to the nearest public road and the rig height is given as 104', the rig used to drill the subject well must not have a derrick height of greater than 2/3rds of 176 feet or 117 feet.

- 1) Provide 24 hour notice of MIRU to Bo Brown at e-mail 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
1694215	EXCEPTION LOC WAIVERS
1771332	SURFACE CASING CHECK
400177035	FORM 2 SUBMITTED
400179349	MULTI-WELL PLAN
400179351	WELL LOCATION PLAT
400179353	DEVIATED DRILLING PLAN
400179354	OIL & GAS LEASE

Total Attach: 7 Files

**General Comments**

<b><u>User Group</u></b>	<b><u>Comment</u></b>	<b><u>Comment Date</u></b>
Permit	Corrected spacing order for J Sand to E/2 per operator.	7/22/2011 12:20:31 PM
Permit	Requesting corrected Spacing order.	7/19/2011 2:52:21 PM
Permit	Operator requests approval of a Rule 318Aa exception location: Wellhead is to be located outside of a GWA drilling window and will be located more than 50' from an existing well location. Attached Exception Location Request and Waiver.	7/19/2011 2:52:09 PM
Permit	Wellhead is to be located outside of a GWA drilling window and will be located more than 50' from an existing well location: EXCEPTION GRANTED.	7/19/2011 2:52:04 PM
Engineer	Pad depths all seem to be Dakota depth - Jsand + RH=7670' (GR corr'd for offset) - proposed TVD is 7850' - Dakota should probably be included in objective formations.  390 sx cement don't give a TOC of 200 - req'd clarification	7/18/2011 1:35:50 PM
Permit	Received Exception Location Request letter and waiver. rig height is 104'.	7/15/2011 3:37:47 PM
Permit	Requesting exception location letter and waiver, rig height, and spacing corrected.	7/7/2011 3:10:20 PM
Permit	Kori Thoren is not listed as a designated agent of Synergy Resources. NKP 6/29/11 Kori Thoren has been added. NKP	6/28/2011 10:29:54 AM

Total: 8 comment(s)

**BMP**

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

Total: 0 comment(s)