

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



DE	ET	OE	ES
Document Number: 400188421			
PluggingBond SuretyID 20090043			

APPLICATION FOR PERMIT TO:

1. ☒ Drill, ☐ Deepen, ☐ Re-enter, ☐ Recomplete and Operate

2. TYPE OF WELL

OIL ☐ GAS ☒ COALBED ☐ OTHER _____
SINGLE ZONE ☐ MULTIPLE ☒ COMMINGLE ☐

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: Kori Thoren Phone: (970)737-1073 Fax: (970)737-1045
Email: kthoren@syrginfo.com
7. Well Name: SRC GCC Well Number: 12-11D
8. Unit Name (if appl): _____ Unit Number: _____
9. Proposed Total Measured Depth: 8226

WELL LOCATION INFORMATION

10. QtrQtr: NESE Sec: 10 Twp: 5N Rng: 66W Meridian: 6
Latitude: 40.413520 Longitude: -104.758910

Footage at Surface: 2416 feet FNL/FSL 730 feet FEL/FWL FEL

11. Field Name: Wattenberg Field Number: 90750
12. Ground Elevation: 4858 13. County: WELD

14. GPS Data:

Date of Measurement: 09/15/2011 PDOP Reading: 1.9 Instrument Operator's Name: Michael Dilka

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

Footage at Top of Prod Zone: FNL/FSL 1984 FNL 736 FWL 1984 FNL 736 FWL
Sec: 11 Twp: 5N Rng: 66W Sec: 11 Twp: 5N Rng: 66W

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: 208 ft

18. Distance to nearest property line: 218 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 915 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		320	N/2
Niobrara/Codell	NB-CD	407-87	80	W/2NW4

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):

NESE Sec. 10, T5N - R66W

25. Distance to Nearest Mineral Lease Line: 584 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

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	700	340	700	0
1ST	7+7/8	4+1/2	11.6	0	8,226	450	8,226	0

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

33. Comments No conductive surface casing will be used. 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. The buildings to the East of the Eastern most Well Heads and equipment on this location is within the 350' requirement- however this building is a "shed" storing a lawnmower and other outdoor equipment. rig height 104'

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: 7/22/2011

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. Neslin

Director of COGCC Date: 10/16/2011

API NUMBER

05 123 34543 00

Permit Number: _____ Expiration Date: 10/15/2013

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 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
1694269	LEASE MAP
1694270	EXCEPTION LOC REQUEST
1694271	EXCEPTION LOC WAIVERS
1694327	WELL LOCATION PLAT
1694486	WELL LOCATION PLAT
1694487	DEVIATED DRILLING PLAN
400188421	FORM 2 SUBMITTED
400188478	MULTI-WELL PLAN
400188479	WELL LOCATION PLAT
400188481	DEVIATED DRILLING PLAN
400188484	OIL & GAS LEASE

Total Attach: 11 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final Review Completed. No LGD or public comment received.	10/13/2011 9:32:05 AM
Permit	Changed J sand spacing from E/2NE & W/NW to N/2 per operator.	10/12/2011 4:34:08 PM
Permit	ON HOLD: requesting correction to spacing orders.	10/7/2011 3:12:40 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.	10/7/2011 3:07:25 PM
Permit	Operator moved surface location and submitted corrected well location plat and deviated drilling plan. Changed Surface Loc to: 22416' FSL 730' FEL, Lat : 40.41352, Long : 104.75891, PDOP : 1.9, Nearest: Above GND Utility - 208', Property Line - 218'.	10/7/2011 3:07:17 PM
Permit	ON HOLD: Operator plans to move well pad. w/o updated documents.	8/30/2011 11:57:41 AM
Permit	Operator moved surface location 10' east to be 150' from powerline. corrected surface footage & lat/long and attached new well plat.	8/23/2011 11:45:53 AM
Permit	ON HOLD: Rig Height 104' requesting a 502.b. variance letter. Attached lease map and corrected Exception Loc Request & waivers.	8/4/2011 10:07:08 AM
Permit	Requesting rig height, corrected Exception Loc Request ltr, separate doc for waivers, dollar amount removed from Warranty Deed. Correction to the J Sand spacing order.	8/2/2011 10:47:10 AM

Total: 9 comment(s)

BMP

Type

Comment

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Total: 0 comment(s)