



March 19, 2013

Synergy Resources Corporation
20203 Highway 60
Platteville, CO 80651

RE: **Notice of Intent to Propose Rule 318A.e(6), Horizontal Well**

Drieth 4F-6H-I368
Township 3 North, Range 68 West, 6th PM
Section 6: NE/4SE/4 (surface location)
Weld County, CO

Dear Sir/Madam:

Encana Oil & Gas (USA) Inc. ("Encana") proposes to drill, complete and operate the well described above as the Drieth 4F-6H-I368 horizontal well with a designated horizontal wellbore spacing unit pursuant to Rule 318A.a.(4).D of the Colorado Oil and Gas Conservation Commission ("COGCC") Rules and Regulations. Encana hereby gives Notice of said horizontal well and horizontal wellbore spacing unit pursuant to COGCC Rule 318A.e.(6).

Information for this well is as follows:

1. **Surface Location:**

The well will be drilled from a surface location in the NE/4SE/4 of Section 6, T3N-R68W, located 2384' FSL & 542' FEL.

2. **Target Formation:**

The well will be drilled horizontally into and produce from the Niobrara formation. The wellbore lateral will enter the Target Formation at 1800' FSL and 460' FEL of Section 6, T3N-R68W.

3. **Bottomhole Location:**

The bottomhole or terminus of the wellbore lateral will be at 1800' FSL and 460' FWL of Section 6, T3N-R68W.

4. **Horizontal Wellbore Spacing Unit:**

The wellbore spacing unit will be comprised of Section 6: S/2.

5. **Anticipated Spud Date:** 1st Quarter 2014.

A survey plat with a depiction of the horizontal wellbore spacing unit is attached hereto.

Encana Oil & Gas (USA) Inc.

Republic Plaza 370 17th Street Suite 1700 Denver CO 80202 USA 303.623.2300 encana.com



Our preliminary title search indicates that you may own a working interest in the horizontal wellbore spacing unit. Pursuant to Rule 318A.e.(6), you have thirty (30) days from your receipt of this Notice to object, in writing, to the proposed horizontal well or horizontal wellbore spacing unit. Should you have no objection, please sign in the space provided below and return a copy to Encana at your earliest convenience.

In order to ensure complete title examination and identify all relevant title issues, please provide Encana any title documentation, including title opinions and pay decks, relating to the proposed wellbore spacing unit.

A well proposal, including an AFE and Joint Operating Agreement, will be forthcoming under separate cover. If you have any questions or concerns regarding this notice, please contact the undersigned at 720-876-3575.

Sincerely,

ENCANA OIL & GAS (USA) INC.

A handwritten signature in black ink, appearing to read "M. Learned", written over a horizontal line.

Marian M. Learned
Land Negotiator, DJ Basin

Enclosures: Survey Plat, Spacing Unit Diagram

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The undersigned hereby waives the thirty (30) day written notice requirement as specified in Rule 318a.e.(6).

Synergy Resources Corporation

By


Ed Holloway, CEO

Date:

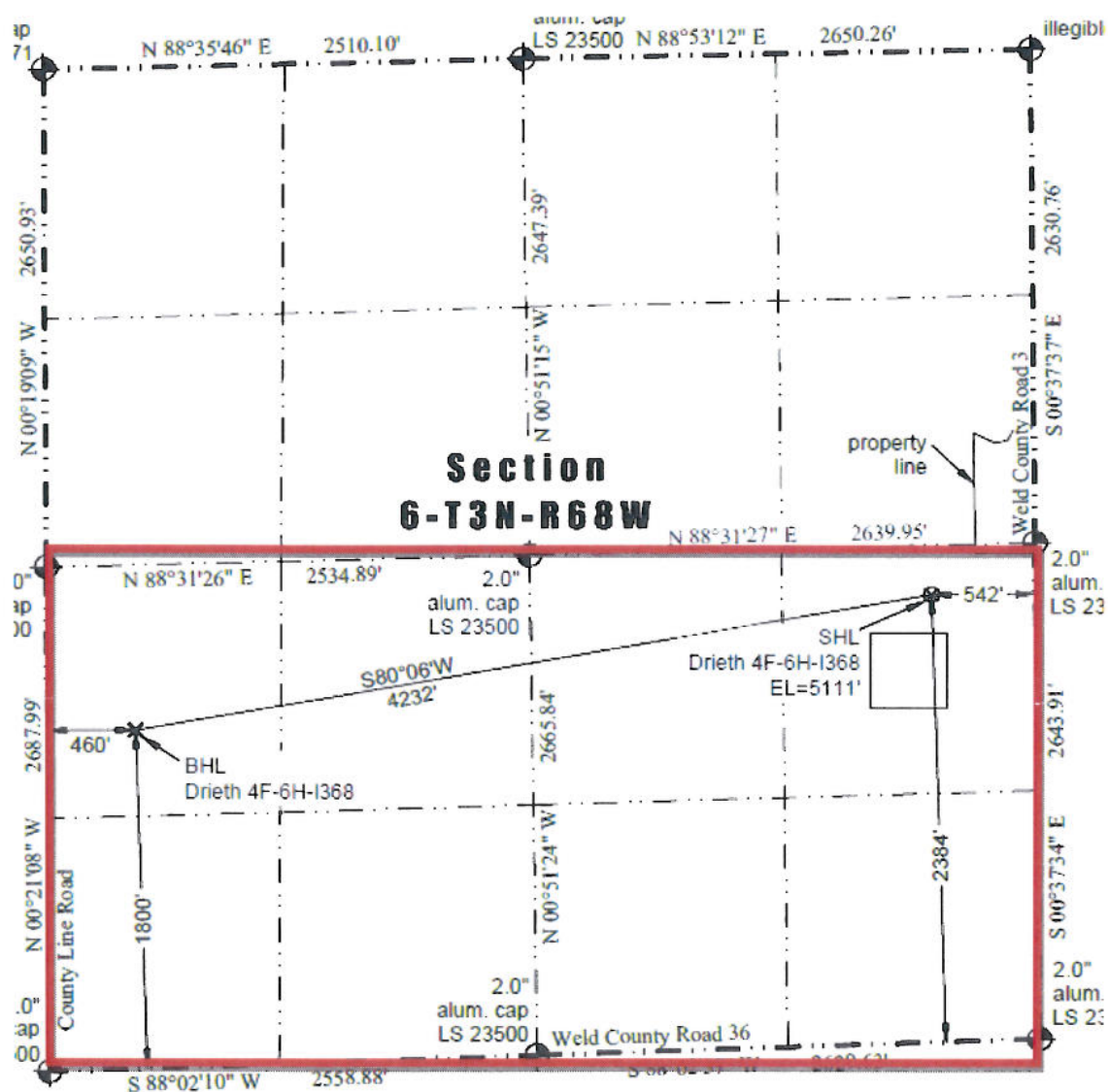
4-1-13

Drieth 4F-6H-I368 Spacing Unit

Red Outline = Proposed 320 acre Niobrara spacing unit
T3N R68W, 6th P.M. Section 6: S/2 Weld County, Colorado

Surface Hole Location: T3N R68W, 6th P.M. Section 6: NE/4SE/4 2384' FSL and 542' FEL

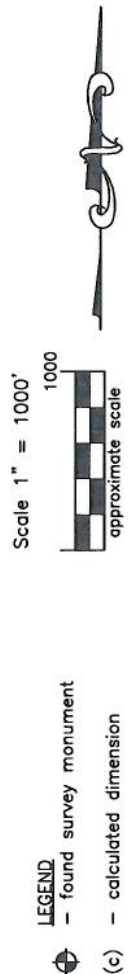
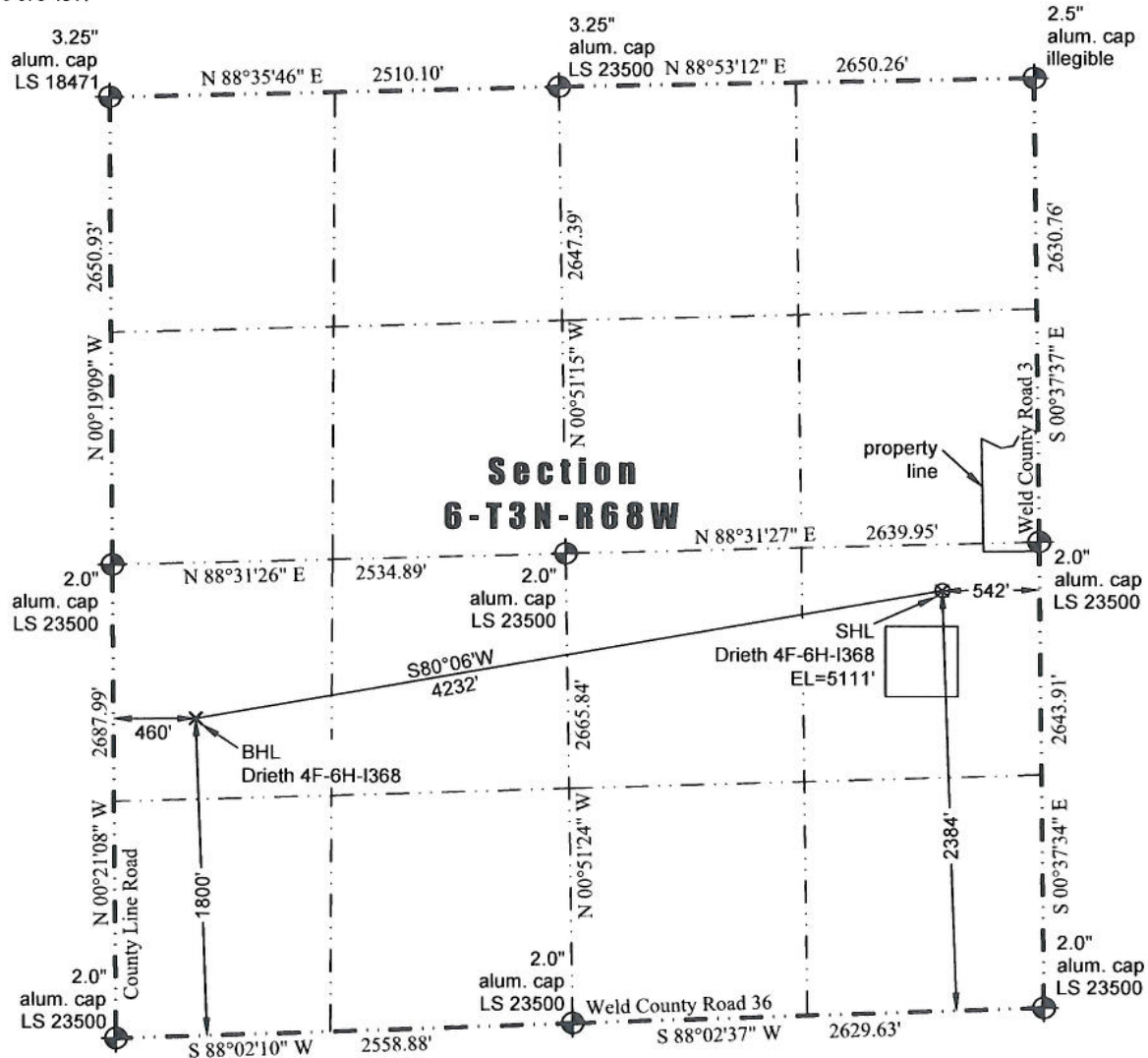
Bottom Hole Location: T3N R68W, 6th P.M. Section 6: NW/4SW/4 1800' FSL and 460' FWL



JR Land Surveying, LLC
8114 Northstar Drive
Windsor, Colorado 80528
P. 970-576-4641

WELL LOCATION CERTIFICATE

THIS MAP DOES NOT REPRESENT A BOUNDARY SURVEY



In accordance with a request from Jay Knutson of EnCana Oil & Gas (USA) Inc., JR Land Surveying, LLC has determined the location of the **Drieth 4F-6H-I368** well site to be SHL: 2384' FSL and 542' FEL, (BHL 1800' FSL and 460' FWL), as measured at ninety (90) degrees from the section lines of Section 6, Township 3 North, Range 68 West of the 6th Principal Meridian, Weld County Colorado.

Proposed Surface Hole Data:

Latitude: N 40.25408° (BHL: 40.25214°)
Longitude: W 105.03849° (BHL: 105.05344°)
PDOP: 1.5

Nearest:

Building: 480' northeast	Above Ground Utility: 552' east
Public Road: 533' east	Railroad: 10,794' northwest
Property Line: 318' northeast	Well Window: SHL is 201' outside
Existing Well: Elliot-USX S 31-09P; 4,724' northwest	

Notes:

- 1) Bearings and distances based on NAD 83 Colorado North State Plane Coordinate, using RTK GPS observations taken 3/7/13 by operator John Rice.
- 2) Conversion factor to ground (1.0002852582).
- 3) Elevations based on NAVD 88 GPS heights and Geoid 2003 corrections.
- 4) See Location Drawing for visible improvements within 500 feet of Pad Site.
- 5) The surface use is a cultivated field.

NOTICE: According to Colorado law you must commence any legal action based upon any defect in this W.L.C. within three years after you first discover such defect. In no event may any action based upon any defect in this W.L.C. be commenced more than ten years from this said date of the certification shown hereon.

I hereby certify that this Well Location Certificate was prepared by me or under my direct supervision on 3/11/2013 for and on behalf of EnCana Oil & Gas (USA) Inc. That it is not a Land Survey Plat or an Improvement Survey Plat and that it is not to be relied upon for establishment of fences, buildings, or other future improvement lines.

John Robert McGehee LS#38219
Well: Drieth 4F-6H-I368 W.L.C.