



May 15, 2014

Marguerite Gies Living Trust and James L. Gies
19381 County Road 74
Eaton, CO 80615

RE: Rule 318A.a and 318A.c Exception Location Waiver

SRC Gies 34-15-22CHZ Well: 272' FNL, 1147' FEL, Sec 15 T7N-R65W, Weld County, Colorado
SRC Gies 34-15-22NHZ Well: 272' FNL, 1127' FEL, Sec 15 T7N-R65W, Weld County, Colorado
SRC Gies T-15-22CHZ Well: 272' FNL, 1107' FEL, Sec 15 T7N-R65W, Weld County, Colorado
SRC Gies T-15-22NHZ Well: 272' FNL, 1087' FEL, Sec 15 T7N-R65W, Weld County, Colorado
SRC Gies D-15-22CHZ Well: 272' FNL, 1067' FEL, Sec 15 T7N-R65W, Weld County, Colorado
SRC Gies D-15-22NHZ Well: 272' FNL, 1047' FEL, Sec 15 T7N-R65W, Weld County, Colorado
SRC Gies 44-15-22CHZ Well: 272' FNL, 1027' FEL, Sec 15 T7N-R65W, Weld County, Colorado
SRC Gies 44-15-22NHZ Well: 272' FNL, 1007' FEL, Sec 15 T7N-R65W, Weld County, Colorado

Dear Surface Owner,

Synergy Resources Corporation (SRC) plans to apply to the Colorado Oil and Gas Conservation Commission (COGCC) to drill the above referenced wells at the described surface location. Colorado Oil and Gas Conservation Commission Rule 318A.a stipulates that a Greater Wattenberg Area (GWA) well surface location must be within a 400' by 400' drilling window centered at the center of each quarter-quarter section, or inside a 800' by 800' drilling window centered at the center of each quarter section. The above wells surface locations fall outside of these windows.

Additionally, COGCC Rule 318A.c stipulates that a GWA well surface location shall not be less than 50' from an existing well. As planned, these well surface locations are greater than 50' from an existing well.

Per COGCC Rules SRC is required to get surface owner approval of this location and a waiver of said rules 318A.a and 318A.c. The wells are spotted as above in order to minimize surface disturbance while complying with your wishes and the Surface Use Agreement.

Should you find this acceptable please indicate so by signing the below section and returning the signed letter. Please contact the undersigned at 970-737-1045 or crasmuson@syrinfo.com with any questions.

Sincerely,

Craig Rasmuson
Chief Operating Officer
Synergy Resources Corporation

I, James L. Gies, acting as self, officer, agent, trustee, or employee of Marguerite Gies Living Trust, surface owner of the above described lands, with full power to execute the following, do hereby approve of Synergy Resources Corporation SRC Gies wells as listed above on said lands in the SE/4 SE/4 Section 15 T7N-R65W and grant a waiver to COGCC Rule 318A.a and 318A.c granting that these wells may drilled as planned.

Signed

this 24 day of May, 2014