

**BEFORE THE OIL AND GAS CONSERVATION COMMISSION OF
THE STATE OF COLORADO**

IN THE MATTER OF THE APPLICATION OF)	
SYNERGY RESOURCES CORPORATION FOR)	CAUSE NO. 407
AN ORDER TO POOL ALL INTERESTS WITHIN)	
AN APPROXIMATE 80-ACRE DRILLING AND)	DOCKET NO. 1406-UP-___
SPACING UNIT FOR SECTION 10, TOWNSHIP 5)	
NORTH, RANGE 66 WEST, 6 TH P.M., FOR THE)	
CODELL AND NIOBRARA FORMATIONS,)	
WATTENBERG FIELD, WELD COUNTY,)	
COLORADO	

VERIFIED APPLICATION

COMES NOW, Synergy Resources Corporation ("Synergy" or "Applicant") by its attorneys, Lohf Shaiman Jacobs Hyman & Feiger PC, and submits its Application to the Oil and Gas Conservation Commission of the State of Colorado, for an order pooling all interests in an approximate 80-acre drilling and spacing unit for production of oil, gas and associated hydrocarbons from the Codell and Niobrara Formations in certain lands in the Wattenberg Field, Weld County, Colorado, and in support states as follows:

1. Applicant is duly organized and authorized to conduct business in the State of Colorado.

2. Applicant owns leasehold interests in the following described lands in Weld County, Colorado, containing approximately 80-acres (hereinafter, the "Application Lands"):

Township 5 North, Range 66 West, 6th P.M.
Section 10: E $\frac{1}{2}$ NE $\frac{1}{4}$

3. On February 19, 1992, the Commission issued Order 407-87, which, among other things, established the Application Lands as an 80-acre drilling and spacing unit for production of oil, gas and assorted hydrocarbons from the Codell and Niobrara Formations.

4. Applicant has drilled and completed the SRC GCC #42-10D (API #05-123-34538) and SRC GCC #41-10D (API #05-123-34533) wells (the "Wells") on the Application Lands to the Codell and/or Niobrara Formations on an 80-acre unit composed of the Application Lands.

5. Applicant has been unable to obtain consent to voluntary pooling by all interest owners in the Application Lands. As a result, Applicant requests that all interests in the unit composed of the Application Lands be involuntarily pooled pursuant

to C.R.S. §34-60-116, and consenting parties be allowed to recover from any non-consenting owner's share of production the penalty costs provided in C.R.S. § 34-60-116 (7) of the Colorado Oil and Gas Conservation Act.

6. The names and addresses of those persons who own any interest in the mineral estate in the Application Lands, exclusive of overriding royalty interests, according to the information and belief of the Applicant are set forth on **Exhibit A**. Copies of this Verified Application shall be served on all such owners within seven (7) days of the date of this Application, as required by Commission Rule 503.e.

7. At least thirty (30) days prior to the hearing on this Application, the Applicant will have sent all owners listed on **Exhibit A**, who have not previously consented to lease or otherwise participate in the drilling and completion of the Wells, an Authority for Expenditures (AFE) and/or supporting documents which contain all information required by Commission Rule 530.b., and in case of unleased mineral owners, an offer to lease which is reasonable based on the factors listed in Commission Rule 530.c. The Applicant shall also agree to first comply with the requirements of Rule 530.b and c with respect to any subsequent well in the pooled unit, prior to applying the cost recovery provisions of said statute.

8. Applicant anticipates that one or more of such owners will refuse or fail to respond to such offer to lease and/or to participate in the drilling, completion and operation of such Wells, and shall be deemed non-consenting parties under Commission Rule 530.b and c.

9. An order of the Commission pooling all interests in the unit for production from the Codell and Niobrara Formations shall therefore be necessary in order to afford each owner of an interest in the unit the opportunity to recover and receive its just and equitable share of the oil and/or gas from the common source of supply underlying the unit.

10. The granting of the requested order would not be prejudicial to the owners in the unit and would protect correlative rights.

11. The requested pooling order should be effective as of the date that costs specified by C.R.S. §34-60-116(7)(b) were first incurred by Applicant for the drilling of either of the Wells.

REQUEST FOR HEARING AND ORDER

WHEREFORE, Synergy prays that this matter be set for hearing on June 16 or 17, 2014, Notice of said Hearing be given as required by law, if no protests are timely received the matter be considered pursuant to Rule 511(b), and the Commission enter an Order pooling all interests in the Application Lands with respect to production of the Codell and Niobrara formations and that such pooling Order:

(1) be upon terms and conditions which are just and reasonable and afford to the owner of each interest the opportunity to recover or receive, without unnecessary expense, his just and equitable share of oil and gas;

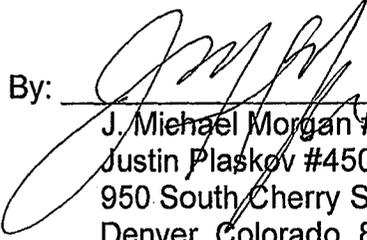
(2) provide that production obtained from the pooled tract be allocated to each owner therein on the basis of the proportion that the number of mineral acres held by each owner in the drilling unit bears to the total number of mineral acres within the drilling unit;

(3) provide that with respect to the Wells the consenting parties be allowed to recover from any non-consenting owner's share of production the penalty costs as provided in C.R.S. § 34-60-116 (7)(b); and

(4) require the operator to provide each non-consenting interest owner in the Unit with monthly statement of costs incurred together with the quantity of oil and gas produced and proceeds realized, pursuant to C.R.S. §34-60-116(8).

RESPECTFULLY SUBMITTED this 16th day of April, 2014.

LOHF SHAIMAN JACOBS HYMAN & FEIGER
PC

By: 

J. Michael Morgan #7279

Justin Plaskov #45053

950 South Cherry Street, Suite 900

Denver, Colorado 80246

(303) 753-9000

(303) 75-9997 (fax)

mmorgan@lohfsheiman.com

Address of Applicant:

Synergy Resources Corporation
20203 Highway 60
Platteville, CO 80651

EXHIBIT "A"
TO APPLICATION OF SYNERGY RESOURCES CORPORATION

Applicant: Synergy Resources Corporation
20203 Highway 60
Platteville, CO 80651

Applicant's Attorney: J. Michael Morgan, Esq.
Lohf Shaiman Jacobs Hyman & Feiger PC
950 South Cherry Street, Suite 900
Denver, CO 80246

Local Government Designee: Tom Parko
Weld County
1555 North 17th Street
Greeley, CO 80631

Interested Parties in the E $\frac{1}{2}$ NE $\frac{1}{4}$ of Section 10, Township 5 North, Range 66 West

Leased Mineral Owners:

Greeley Country Club
4500 W. 10th Street
Greeley, CO 80634

Gail M. Cotton and Dannis L. Miller
4720 W. 10th Street Road
Greeley, CO 80634

Michael & Nanette Popineau JT
1218 48th Avenue
Greeley, CO 80634

Charles & Janet Dickson JT
1101 48th Avenue
Greeley, CO 80634

Donald Ziegler and Karen Woods JT
1050 48th Avenue
Greeley, CO 80634

Opdyke Family Trust
Dated October 20, 1982-31
2110 Courtland Avenue
San Marino, CA 91108

Grant M. Waldo
4710 W. 10th Street
Greeley, CO 80634

Royce & Diane Bakel JT
1205 47th Avenue
Greeley, CO 80634

William Starke & Judy Perry JT
4715 W. 13th Street
Greeley, CO 80634

James & Caroline Street
P. O. Box 282
Masonville, CO 80541

Mary Bohlender
4747 W. 10th Street Road
Greeley CO 80634

John & Marie Dollarhide JT
4759 W. 10th Street Road
Greeley CO 80634

Kathryn Sullivan and Stephen Sullivan
1002 48th Avenue
Greeley CO 80634

John R. DeMoney
and Terralyn C. DeMoney JT
4724 W. 13th Street
Greeley, CO 80634

Mark Cecil
4751 W. 10th Street Road
Greeley CO 80634

Jimmy Lobato and Shirley A Lobato JT
1009 47th Avenue
Greeley CO 80634

Treasure Property LLC
1009 47th Avenue
Greeley CO 80634

Patricia A. Tracy
4718 W. 13th Street
Greeley CO 80634

Cacia Joseph Galiano
1019 47th Avenue
Greeley, CO 80634

Gustavo Haro and Aileen Haro
1208 48th Avenue
Greeley, CO 80634

John Filkoski
7752 E. 4th Avenue, #2A
Denver, CO 80230

Scott Alan Dallman and
Laural Lorraine Dallman
1011 47th Avenue
Greeley, CO 80634

Steven L. Ulrich
1223 47th Avenue
Greeley, CO 80634

Donald C. Royer and
Lola M. Royer JT
1031 48th Avenue
Greeley, CO 80634

Kennan and Meredith Reinert JT.
1301 48th Avenue
Greeley, CO 80634

Bruce T. Gilmore and Jane L. Gilmore
4720 W. 12th Street
Greeley, CO 80634

Dorothy E. Wood
1003 48th Avenue, Unit B-2
Greeley, CO 80634

Gary A. Hill & Karel C. Hill
1011 48th Avenue, Unit 1A
Greeley CO 80634

James F. Kirkpatrick
3115 S. County Road 31
Loveland CO 80537

Sandra S. Roberts
4710 W. 12th Street
Greeley, CO 80634

Shirley M. Forbes Trust
4722 W. 12th Street
Greeley, CO 80634

The LuEtta R Legler Trust
4719 W 12th Street
Greeley CO 80634

Zelma S Wahl
4725 W 12th Street
Greeley CO 80634

Barbara J. Comstock
4707 W 11th Street #A-1
Greeley CO 80634

Gerald R Boodry
4709 W 11th Street #A-2
Greeley CO 80634

Jeanne Larson
4703 W 11th Street #B-1
Greeley CO 80634

Joan E. Vogel
4720 W 11th Street
Greeley CO 80634

Nancy Ann Critchfield
800 Hawkstone Dr., #5
Eaton CO 80615

James Edward Roukema
4715 Desert Candle Drive
Pueblo CO 81001

Cindy Sue Swank
2116 64th Avenue
Greeley CO 80634

Robert Craig Roukema
918 Matador SE
Albuquerque NM 87123

Ronald George Young
4706 W. 11th Street, #C-2
Greeley CO 80634

Greeley F Rippey and
Frances I Rippey JT
4717 W 13th Street
Greeley CO 80634

Thomas Reilly & Ruth Reilly
4733 12th Street
Greeley CO 80634

Loren L Swick and Doris J Swick
1041 48th Avenue
Greeley CO 80634

Kenneth R. Kusler and
Roberta Kusler JT
105 South Hobart St.
Glen Elder, KS 67446

Elinor L Lytle
4717 W 12th Street
Greeley CO 80634

Thomas E Galles
1007 48th Avenue
Greeley CO 80634

Unleased Mineral Owners:

Farhad Zandi
1117 47th Avenue
Greeley CO 80634

David L. Paul
1121 47th Avenue
Greeley CO 80634

The City of Greeley
1000 10th Street
Greeley CO 80631

Jack Dwayne Heidrick and
Lynn Morgan Szelowski JT
1015 47th Avenue
Greeley CO 80634

Claudia Sitzman & Joyce Sitzman TC
1100 48th Avenue
Greeley CO 80634

Bradley R. Odle & Cynthia K. Odle JT
4722 W 11th Street
Greeley CO 80634

Ronald K Gronquist and
Georgia A Harper
842 51st Avenue
Greeley CO 8634

Jill Rettele
1115 48th Avenue
Greeley CO 80634

Charles E Gilbert
PO Box 476
Ilwaco WA 98624

Joan C Camp
1205 48th Avenue
Greeley CO 80634

Violet A Darst
1017 NE Wiest Way
Bend OR 97701

Bette D Rathe
4715 W 12th Street
Greeley CO 80634

Harold L. Klaus Trust and
Betty J Klaus TC
4712 W 12th Street
Greely CO 80634

Debbie Kay Fisher
4705 W 11th Street, #B2
Greeley CO 80634

William E Ruth & Christine E Ruth JT
3220 Trinidad
Greeley CO 80634

Paula Turner
1001 48th Avenue #B1
Greeley CO 80634

John H Woehler
1316 11th Avenue
Greeley CO 80634

W.K. McGlothlin
6195 W 24th Street
Greeley CO 80634

1109 Estate LLC
35321 Co. Road 31
Greeley CO 80631

Leasehold Owners:

FEI Energy Fund LLC
1707 61st Avenue, Unit 101
Greeley, CO 80634

Synergy Resources Corporation
20203 Highway 60
Platteville, CO 80651

VERIFICATION

STATE OF COLORADO)
)
COUNTY OF WELD) **ss.**

The undersigned, of lawful age, having been first sworn upon his oath, deposes and states that:

1. He is Ron Morgenstern, Vice President - Land & Business Development of the Applicant, Synergy Resources Corporation, and that he maintains his office at 20203 Highway 60, Platteville, CO 80651.

2. He has read the within Application of Synergy Resources Corporation, is familiar with the facts set forth therein, and states that said facts are true and correct to the best of her knowledge and belief.

Further Affiant sayeth not.



Subscribed and sworn to before me this _____ day of April, 2014.

Witness my hand and official seal.

My commission expires: _____

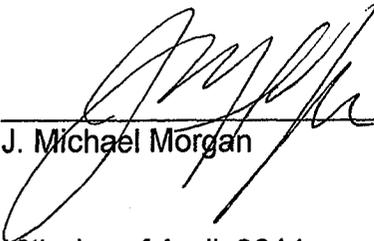
Notary Public

AFFIDAVIT OF MAILING

STATE OF COLORADO)
) **ss.**
CITY & COUNTY OF DENVER)

J. Michael Morgan, of lawful age and being first duly sworn upon his oath, states and declares:

That he is the attorney for Synergy Resources Corporation in the above-captioned matter. On April 16, 2014, he caused a copy of the attached Verified Application to be deposited in the United States Mail, postage prepaid, addressed to the parties listed on **Exhibit A** to said Application.

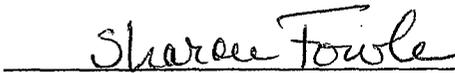


J. Michael Morgan

Subscribed and sworn to before me this 16th day of April, 2014.

Witness my hand and official seal.
My commission expires: 3/5/2015





Notary Public