

**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 <sup>TH</sup> 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 16<sup>th</sup> 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](mailto: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 17<sup>th</sup> Street  
Greeley, CO 80631

**Interested Parties in the E½NE¼ of Section 10, Township 5 North, Range 66 West**

**Leased Mineral Owners:**

Greeley Country Club 4500 W. 10 <sup>th</sup> Street Greeley, CO 80634	Gail M. Cotton and Dannis L. Miller 4720 W. 10 <sup>th</sup> Street Road Greeley, CO 80634
Michael & Nanette Popineau JT 1218 48 <sup>th</sup> Avenue Greeley, CO 80634	Charles & Janet Dickson JT 1101 48 <sup>th</sup> Avenue Greeley, CO 80634
Donald Ziegler and Karen Woods JT 1050 48 <sup>th</sup> Avenue Greeley, CO 80634	Opdyke Family Trust Dated October 20, 1982-31 2110 Courtland Avenue San Marino, CA 91108
Grant M. Waldo 4710 W. 10 <sup>th</sup> Street Greeley, CO 80634	Royce & Diane Bakel JT 1205 47 <sup>th</sup> Avenue Greeley, CO 80634
William Starke & Judy Perry JT 4715 W. 13 <sup>th</sup> Street Greeley, CO 80634	James & Caroline Street P. O. Box 282 Masonville, CO 80541

Mary Bohlender  
4747 W. 10<sup>th</sup> Street Road  
Greeley CO 80634

John & Marie Dollarhide JT  
4759 W. 10<sup>th</sup> Street Road  
Greeley CO 80634

Kathryn Sullivan and Stephen Sullivan  
1002 48<sup>th</sup> Avenue  
Greeley CO 80634

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

Mark Cecil  
4751 W. 10<sup>th</sup> Street Road  
Greeley CO 80634

Jimmy Lobato and Shirley A Lobato JT  
1009 47<sup>th</sup> Avenue  
Greeley CO 80634

Treasure Property LLC  
1009 47<sup>th</sup> Avenue  
Greeley CO 80634

Patricia A. Tracy  
4718 W. 13<sup>th</sup> Street  
Greeley CO 80634

Cacia Joseph Galiano  
1019 47<sup>th</sup> Avenue  
Greeley, CO 80634

Gustavo Haro and Aileen Haro  
1208 48<sup>th</sup> Avenue  
Greeley, CO 80634

John Filkoski  
7752 E. 4<sup>th</sup> Avenue, #2A  
Denver, CO 80230

Scott Alan Dallman and  
Laural Lorraine Dallman  
1011 47<sup>th</sup> Avenue  
Greeley, CO 80634

Steven L. Ulrich  
1223 47<sup>th</sup> Avenue  
Greeley, CO 80634

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

Kennan and Meredith Reinert JT.  
1301 48<sup>th</sup> Avenue  
Greeley, CO 80634

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

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

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

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

Sandra S. Roberts  
4710 W. 12<sup>th</sup> Street  
Greeley, CO 80634

Shirley M. Forbes Trust  
4722 W. 12<sup>th</sup> Street  
Greeley, CO 80634

The LuEtta R Legler Trust  
4719 W 12<sup>th</sup> Street  
Greeley CO 80634

Zelma S Wahl  
4725 W 12<sup>th</sup> Street  
Greeley CO 80634

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

Gerald R Boodry  
4709 W 11<sup>th</sup> Street #A-2  
Greeley CO 80634

Jeanne Larson  
4703 W 11<sup>th</sup> Street #B-1  
Greeley CO 80634

Joan E. Vogel  
4720 W 11<sup>th</sup> 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 64<sup>th</sup> Avenue  
Greeley CO 80634

Robert Craig Roukema  
918 Matador SE  
Albuquerque NM 87123

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

Greeley F Rippey and  
Frances I Rippey JT  
4717 W 13<sup>th</sup> Street  
Greeley CO 80634

Thomas Reilly & Ruth Reilly  
4733 12<sup>th</sup> Street  
Greeley CO 80634

Loren L Swick and Doris J Swick  
1041 48<sup>th</sup> Avenue  
Greeley CO 80634

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

Elinor L Lytle  
4717 W 12<sup>th</sup> Street  
Greeley CO 80634

Thomas E Galles  
1007 48<sup>th</sup> Avenue  
Greeley CO 80634

**Unleased Mineral Owners:**

Farhad Zandi  
1117 47<sup>th</sup> Avenue  
Greeley CO 80634

David L. Paul  
1121 47<sup>th</sup> Avenue  
Greeley CO 80634

The City of Greeley  
1000 10<sup>th</sup> Street  
Greeley CO 80631

Jack Dwayne Heidrick and  
Lynn Morgan Szelowski JT  
1015 47<sup>th</sup> Avenue  
Greeley CO 80634

Claudia Sitzman & Joyce Sitzman TC  
1100 48<sup>th</sup> Avenue  
Greeley CO 80634

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

Ronald K Gronquist and  
Georgia A Harper  
842 51<sup>st</sup> Avenue  
Greeley CO 8634

Jill Rettele  
1115 48<sup>th</sup> Avenue  
Greeley CO 80634

Charles E Gilbert  
PO Box 476  
Ilwaco WA 98624

Joan C Camp  
1205 48<sup>th</sup> Avenue  
Greeley CO 80634

Violet A Darst  
1017 NE Wiest Way  
Bend OR 97701

Bette D Rathe  
4715 W 12<sup>th</sup> Street  
Greeley CO 80634

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

Debbie Kay Fisher  
4705 W 11<sup>th</sup> Street, #B2  
Greeley CO 80634

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

Paula Turner  
1001 48<sup>th</sup> Avenue #B1  
Greeley CO 80634

John H Woehler  
1316 11<sup>th</sup> Avenue  
Greeley CO 80634

W.K. McGlothlin  
6195 W 24<sup>th</sup> Street  
Greeley CO 80634

1109 Estate LLC  
35321 Co. Road 31  
Greeley CO 80631

**Leasehold Owners:**

FEI Energy Fund LLC  
1707 61<sup>st</sup> Avenue, Unit 101  
Greeley, CO 80634

Synergy Resources Corporation  
20203 Highway 60  
Platteville, CO 80651

**VERIFICATION**

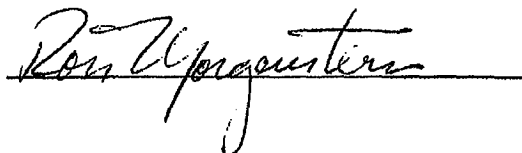
STATE OF COLORADO       )  
                                      )  
COUNTY OF WELD        )       ss.

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: \_\_\_\_\_

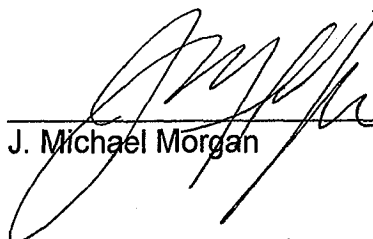
\_\_\_\_\_  
Notary Public

**AFFIDAVIT OF MAILING**

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

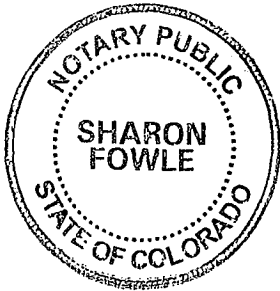
J. Michael Morgan, of lawful age and being first duly sworn upon his oath, states and declares:

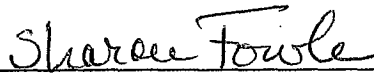
That he is the attorney for Synergy Resources Corporation in the above-captioned matter. On April 16, 2014, he caused a copy of the attached Verified Application to be deposited in the United States Mail, postage prepaid, addressed to the parties listed on **Exhibit A** to said Application.

  
\_\_\_\_\_  
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