

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:

400026475

Plugging Bond Surety

20090043

APPLICATION FOR PERMIT TO:

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

2. TYPE OF WELL

OIL GAS COALBED OTHER _____
SINGLE ZONE MULTIPLE ZONE COMMINGLE ZONE

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: Ed Holloway Phone: (970)737-1073 Fax: (970)737-1045
Email: pm3rsandquist@aol.com

7. Well Name: SRC State Well Number: 16B

8. Unit Name (if appl): _____ Unit Number: _____

9. Proposed Total Measured Depth: 7800

WELL LOCATION INFORMATION

10. QtrQtr: NESW Sec: 16 Twp: 4N Rng: 67W Meridian: 6

Latitude: 40.309516 Longitude: -104.900394

Footage at Surface: 1436 FNL/FSL FSL 1494 FEL/FWL FWL

11. Field Name: Wattenberg Field Number: 90750

12. Ground Elevation: 4897 13. County: WELD

14. GPS Data:

Date of Measurement: 12/17/2009 PDOP Reading: 1.2 Instrument Operator's Name: John C. Barickman

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

Footage at Top of Prod Zone: FNL/FSL _____ FEL/FWL _____ Bottom Hole: FNL/FSL _____ FEL/FWL _____

Sec: _____ Twp: _____ Rng: _____ Sec: _____ Twp: _____ Rng: _____

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: 1357 ft

18. Distance to nearest property line: 86 ft 19. Distance to nearest well permitted/completed in the same formation: 1090 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	232-23	320	S/2
Niobrara/Codell	NB-CD	407-87	160	SW/4

21. Mineral Ownership: Fee State Federal Indian Lease #: 88/5056-S

22. Surface Ownership: Fee State Federal Indian

23. Is the Surface Owner also the Mineral Owner? Yes No Surface Surety ID#: 20090044

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 Bon \$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):
S/2, Sec. 16, 4N, 67W

25. Distance to Nearest Mineral Lease Line: 1436 ft 26. Total Acres in Lease: 320

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 27 or 28 are yes, is this location in a sensitive area (Rule 903)? Yes No **If 28, 29, or 30 are "Yes" a pit permit may be required.**

31. Mud disposal: Offsite Onsite

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	Weight Per Foot	Setting Depth	Sacks Cement	Cement Bottom	Cement Top
SURF	12+1/4	8+5/8	24	580	300	580	0
1ST	7+7/8	4+1/2	11.6	7,800	490	7,800	200

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

33. Comments No Conductive Surface Casing Will Be Used

34. Location ID: 332784

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: _____ Email: craigrasmuson@comcast.net

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: _____ Director of COGCC Date: _____

API NUMBER 05 123 29541 00	Permit Number: _____ Expiration Date: _____
--------------------------------------	---

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.

Attachment Check List

Att Doc Num	Name	Doc Description
400027453	ACCESS ROAD MAP	Baseline Access Road Map SRC State 16B.pdf
400027454	HYDROLOGY MAP	Baseline Hydrology Map SRC State 16B.pdf
400027456	MULTI-WELL PLAN	Baseline Multiple Well Pad Plan-SRC State Wells.pdf
400027457	WELL LOCATION PLAT	Baseline Survey SRC State 16B.pdf
400027458	OTHER	Baseline Visible Improvements SRC State 16B.pdf
400027459	LOCATION PICTURES	Baseline Well Head Photo Exhibit SRC State 16B.pdf
400027460	EXCEPTION LOC WAIVERS	Request For Exception-Rule 318A-Landowner.pdf
400027461	SURFACE OWNER CONSENT	Surface Owner Notification-Consultation Waiver.pdf
400027463	SURFACE AGRMT/SURETY	Surface Use Agreement SRC State Wells-Grays Inc..pdf
400029648	WAIVERS	Surface Property Line Waiver-SRC State 16Bpdf.pdf

Total Attach: 10 Files