

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



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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 ☐

Document Number:

400030589

Plugging Bond Surety

20090043

3. Name of Operator: SYNERGY RESOURCES CORPORATION4. COGCC Operator Number: 103115. Address: 20203 HIGHWAY 60City: PLATTEVILLE State: CO Zip: 806516. Contact Name: Ed Holloway Phone: (970)737-1073 Fax: (970)737-1045Email: pm3rsandquist@aol.com7. Well Name: SRC State Well Number: 16HD

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

9. Proposed Total Measured Depth: 7512

WELL LOCATION INFORMATION

10. QtrQtr: NESW Sec: 16 Twp: 4N Rng: 67W Meridian: 6Latitude: 40.309520 Longitude: -104.900652
 Footage at Surface: 1436 FNL/FSL FSL 1422 FEL/FWL FWL
11. Field Name: Wattenberg Field Number: 9075012. Ground Elevation: 4896 13. County: WELD

14. GPS Data:

Date of Measurement: 12/17/2009 PDOP Reading: 1.3 Instrument Operator's Name: John C. Barickman15. If well is ☒ Directional ☐ Horizontal (highly deviated) **submit deviated drilling plan.**
 Footage at Top of Prod Zone: FNL/FSL 1320 FSL 100 FWL 1320 FSL 100 FWL
 Bottom Hole: FNL/FSL 1320 FSL 100 FWL
 Sec: 16 Twp: 4N Rng: 67W Sec: 16 Twp: 4N Rng: 67W
16. Is location in a high density area? (Rule 603b)? ☐ Yes ☒ No17. Distance to the nearest building, public road, above ground utility or railroad: 1357 ft18. Distance to nearest property line: 130 ft 19. Distance to nearest well permitted/completed in the same formation: 789 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.)
Niobrara/Codell	NB/CD	407-87	80	E2SE4-17&W2SW4-16

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	7,512	490	7,512	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 29539 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
400030958	ACCESS ROAD MAP	Baseline Access Road Map SRC State 16HD.pdf
400030964	HYDROLOGY MAP	Baseline Hydrology Map SRC State 16HD.pdf
400030967	MULTI-WELL PLAN	Baseline Multiple Well Pad Plan-SRC State Wells.pdf
400030969	WELL LOCATION PLAT	Baseline Survey SRC State 16HD.pdf
400030971	OTHER	Baseline Visible Improvements SRC State 16HD.pdf
400030972	LOCATION PICTURES	Baseline Well Head Photo Exhibit SRC State 16HD.pdf
400030974	EXCEPTION LOC REQUEST	Request For Exception-Rule 318A-Landowner.pdf
400030976	SURFACE OWNER CONSENT	Surface Owner Notification-Consultation Waiver.pdf
400030977	SURFACE AGRMT/SURETY	Surface Use Agreement SRC State Wells-Grays Inc..pdf
400030992	WAIVERS	Surface Property Line Waiver-SRC State 16HDdf.pdf
400030993	DRILLING PLAN	Ensign Directional-SynergySRCState16HDPlan#21-11-10.pdf
400030994	OTHER	SRC State 16HD-318Ae 20 day Certification Letter.pdf
400031009	PROPOSED SPACING UNIT	SRC State 16HD-318A Proposed Spacing Unit Plan.pdf
400031010	PROPOSED SPACING UNIT	SRC State 16HD-.Proposed 160 Acre Spacing Unit Map.pdf

Total Attach: 14 Files