

FORM 2A Rev 04/01

State of Colorado Oil and Gas Conservation Commission 1120 Lincoln Street, Suite 801, Denver, Colorado 80205 Phone: (303) 894-2100 Fax: (303) 894-2109



Table with columns DE, ET, OE, ES

Document Number: 400172249

Oil and Gas Location Assessment

[X] New Location [] Amend Existing Location Location#: _____

Submit original plus one copy. This form is to be submitted to the COGCC prior to any ground disturbance activity associated with oil and gas development operations.

Location ID: 424006 Expiration Date: 06/29/2014

[X] This location assessment is included as part of a permit application.

1. CONSULTATION

- This location is included in a Comprehensive Drilling Plan. CDP # _____
This location is in a sensitive wildlife habitat area.
This location is in a wildlife restricted surface occupancy area.
This location includes a Rule 306.d.(1)A.ii. variance request.

2. Operator

Operator Number: 10311 Name: SYNERGY RESOURCES CORPORATION Address: 20203 HIGHWAY 60 City: PLATTEVILLE State: CO Zip: 80651

3. Contact Information

Name: Rhonda Sandquist Phone: (970) 737-1073 Fax: (970) 737-1045 email: rsandquist@syrginfo.com

4. Location Identification:

Name: Margil Number: 34A County: WELD QuarterQuarter: NWNW Section: 34 Township: 4N Range: 68W Meridian: 6 Ground Elevation: 5105 Define a single point as a location reference for the facility location. This point should be used as the point of measurement in the drawings to be submitted with this application. When the location is to be used as a well site then the point shall be a well location. Footage at surface: 1304 feet FNL, from North or South section line, and 1221 feet FWL, from East or West section line. Latitude: 40.273499 Longitude: -104.994301 PDOP Reading: 0.7 Date of Measurement: 04/21/2011 Instrument Operator's Name: Joseph Stice

5. Facilities (Indicate the number of each type of oil and gas facility planned on location):

Special Purpose Pits: [] Drilling Pits: [] Wells: [6] Production Pits: [] Dehydrator Units: []
Condensate Tanks: [6] Water Tanks: [3] Separators: [6] Electric Motors: [] Multi-Well Pits: []
Gas or Diesel Motors: [] Cavity Pumps: [] LACT Unit: [] Pump Jacks: [] Pigging Station: []
Electric Generators: [] Gas Pipeline: [1] Oil Pipeline: [] Water Pipeline: [] Flare: []
Gas Compressors: [] VOC Combustor: [2] Oil Tanks: [] Fuel Tanks: []

Other: _____

6. Construction:

Date planned to commence construction: 08/01/2011 Size of disturbed area during construction in acres: 2.35
Estimated date that interim reclamation will begin: 12/01/2011 Size of location after interim reclamation in acres: 1.15
Estimated post-construction ground elevation: 5105 Will a closed loop system be used for drilling fluids: Yes
Will salt sections be encountered during drilling: Yes No Is H2S anticipated? Yes No
Will salt (>15,000 ppm TDS Cl) or oil based muds be used: Yes No
Mud disposal: Offsite Onsite Method: Land Farming Land Spreading Disposal Facility
Other: _____

7. Surface Owner:

Name: _____ Phone: _____
Address: _____ Fax: _____
Address: _____ Email: _____
City: _____ State: _____ Zip: _____ Date of Rule 306 surface owner consultation: _____
Surface Owner: Fee State Federal Indian
Mineral Owner: Fee State Federal Indian
The surface owner is: the mineral owner committed to an oil and gas lease
 is the executer of the oil and gas lease the applicant
The right to construct the location is granted by: oil and gas lease Surface Use Agreement Right of Way
 applicant is owner
Surface damage assurance if no agreement is in place: \$2000 \$5000 Blanket Surety ID _____

8. Reclamation Financial Assurance:

Well Surety ID: 20090043 Gas Facility Surety ID: _____ Waste Mgnt. Surety ID: _____

9. Cultural:

Is the location in a high density area (Rule 603.b.): Yes No
Distance, in feet, to nearest building: 3024, public road: 1203, above ground utilit: 4024
, railroad: 5280, property line: 1221

10. Current Land Use (Check all that apply):

Crop Land: Irrigated Dry land Improved Pasture Hay Meadow CRP
Non-Crop Land: Rangeland Timber Recreational Other (describe): _____
Subdivided: Industrial Commercial Residential

11. Future Land Use (Check all that apply):

Crop Land: Irrigated Dry land Improved Pasture Hay Meadow CRP
Non-Crop Land: Rangeland Timber Recreational Other (describe): _____
Subdivided: Industrial Commercial Residential

12. Soils:

List all soil map units that occur within the proposed location. Attach the National Resource Conservation Service (NRCS) report showing the "Map Unit Description" report listing the soil typical vertical profile. This data is to used when segregating topsoil.

IMPORTANT: SOME DATA FIELDS HAVE BEEN MODIFIED.

The required information can be obtained from the NRCS web site at <http://soildatamart.nrcs.usda.gov/> or from the COGCC web site GIS Online map page found at <http://colorado.gov/cogcc>. Instructions are provided within the COGCC web site help section.

NRCS Map Unit Name: 17 - Colby loam, 5 to 9 percent slopes

NRCS Map Unit Name: _____

NRCS Map Unit Name: _____

13. Plant Community:

Complete this section only if any portion of the disturbed area of the location's current land use is on non-crop land.

Are noxious weeds present: Yes No

Plant species from: NRCS or, field observation Date of observation: 04/21/2011

List individual species: _____

Check all plant communities that exist in the disturbed area.

- Disturbed Grassland (Cactus, Yucca, Cheatgrass, Rye)
- Native Grassland (Bluestem, Grama, Wheatgrass, Buffalograss, Fescue, Oatgrass, Brome)
- Shrub Land (Mahogany, Oak, Sage, Serviceberry, Chokecherry)
- Plains Riparian (Cottonwood, Willow, Aspen, Maple, Poplar, Russian Olive, Tamarisk)
- Mountain Riparian (Cottonwood, Willow, Blue Spruce)
- Forest Land (Spruce, Fir, Ponderosa Pine, Lodgepole Pine, Juniper, Pinyon, Aspen)
- Wetlands Aquatic (Bullrush, Sedge, Cattail, Arrowhead)
- Alpine (above timberline)
- Other (describe): _____

14. Water Resources:

Rule 901.e. may require a sensitive area determination be performed. If this determination is performed the data is to be submitted with the Form 2A.

Is this a sensitive area: No Yes Was a Rule 901.e. Sensitive Areas Determination performed: No Yes

Distance (in feet) to nearest surface water: 891, water well: 1667, depth to ground water: 34

Is the location in a riparian area: No Yes Was an Army Corps of Engineers Section 404 permit filed No Yes

Is the location within a Rule 317B Surface Water Suppl Area buffer zone:

No 0-300 ft. zone 301-500 ft. zone 501-2640 ft. zone

If the location is within a Rule 317B Surface Water Supply Area buffer have all public water supply systems within 15 miles been notified: No Yes

15. Comments:

Synergy Resources Corporation has acquired the right to drill the wells in this quarter section via a Farm-out Agreement from DeClar Energy (attached)

I hereby certify that the statements made in this form are, to the best of my knowledge, true, correct and complete.

Signed: _____ Date: 06/07/2011 Email: crasmuson@syrginfo.com

Print Name: Craig Rasmuson Title: Mgr of Land & Field Ops

IMPORTANT: SOME DATA FIELDS HAVE BEEN MODIFIED.

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: David S. Neslin Director of COGCC Date: 6/30/2011

CONDITIONS OF APPROVAL, IF ANY:

All representations, stipulations and conditions of approval stated in this Form 2A for this location shall constitute representations, stipulations and conditions of approval for any and all subsequent operations on the location unless this Form 2A is modified by Sundry Notice, Form 4 or an Amended Form 2A.

Attachment Check List

Att Doc Num	Name
400172249	FORM 2A SUBMITTED
400172328	ACCESS ROAD MAP
400172330	ACCESS ROAD MAP
400172331	DRILLING PLAN
400172332	OTHER
400172338	HYDROLOGY MAP
400172341	LOCATION DRAWING
400172343	MULTI-WELL PLAN
400172344	NRCS MAP UNIT DESC
400172345	OIL & GAS LEASE
400172346	LOCATION PICTURES
400172347	WELL LOCATION PLAT

Total Attach: 12 Files

General Comments

User Group	Comment	Comment Date
OGLA	OK to pass.	6/10/2011 2:44:33 PM
Permit	Permission from Opr-Rhonda to correct bonding information & use of Lease. sf	6/8/2011 10:32:33 AM

Total: 2 comment(s)

BMP

<u>Type</u>	<u>Comment</u>

Total: 0 comment(s)