



USPS Certified Mail Return Receipt

June 21, 2011

Anadarko Petroleum Corporation  
Matthew Miller – Land Manager  
1099 18<sup>th</sup> Street – Suite 1800  
Denver, CO 80202

Re: Notice of 318A(e) Well Proposal  
SRC-Klein 8OD  
Township 4 North, Range 67 West  
Section 8: SE $\frac{1}{4}$   
Weld County, Colorado

Dear Working Interest Owner:

Synergy Resources Corporation (“Synergy”) intends to propose, drill and operate the referenced well pursuant to paragraph 6 of Rule 318A(e), Order 1R-100 of the Colorado Oil and Gas Conservation Commission. Synergy hereby proposes the well as follows:

1. **Surface and Bottom hole Locations:**  
Surface Location: 191’ FSL, 2317’ FEL, Sec. 8, T4N, R67W  
Bottom Hole Location: 2546’ FSL, 2399’ FEL, Sec. 8, T4N, R67W
2. **Wellbore Spacing Unit:**  
NWSE/4, NESW/4, SENW/4, SWNE/4, Sec. 8, T4N, R67W  
  
See Attached Map.
3. **Target Formations:**  
The well will be drilled to a total depth sufficient to test the J-Sand, Codell and Niobrara formations.
4. **Anticipated Spud Date:**  
October 20, 2011

Pursuant to the aforementioned rule, you have twenty (20) days from your receipt of this notice to object to this proposal. In the event you do not respond to this notice or enter an objection within the established time period, the proposed 160-acre spacing unit set forth herein shall be established. However, should you have no objection to this proposal, please so indicate by signing in the space provided below and returning one (1) copy to us by fax or mail as soon as conveniently possible. Your cooperation in this matter is greatly appreciated so that Synergy may timely continue the permitting process for this well.

A formal well proposal, including AFE and JOA will be forthcoming under separate cover.

Please call me at 970-737-1073 should you have any questions. Thank you for your timely consideration and response to this proposal.

Sincerely,



Craig Rasmuson  
Manager of Land and Field Operations  
Synergy Resources Corporation

**The undersigned hereby waives the minimum twenty (20) day written notice requirement as specified in paragraph 6 of Rule 318A(e), Order 1R-100 of the Colorado Oil and Gas Conservation Commission for the**

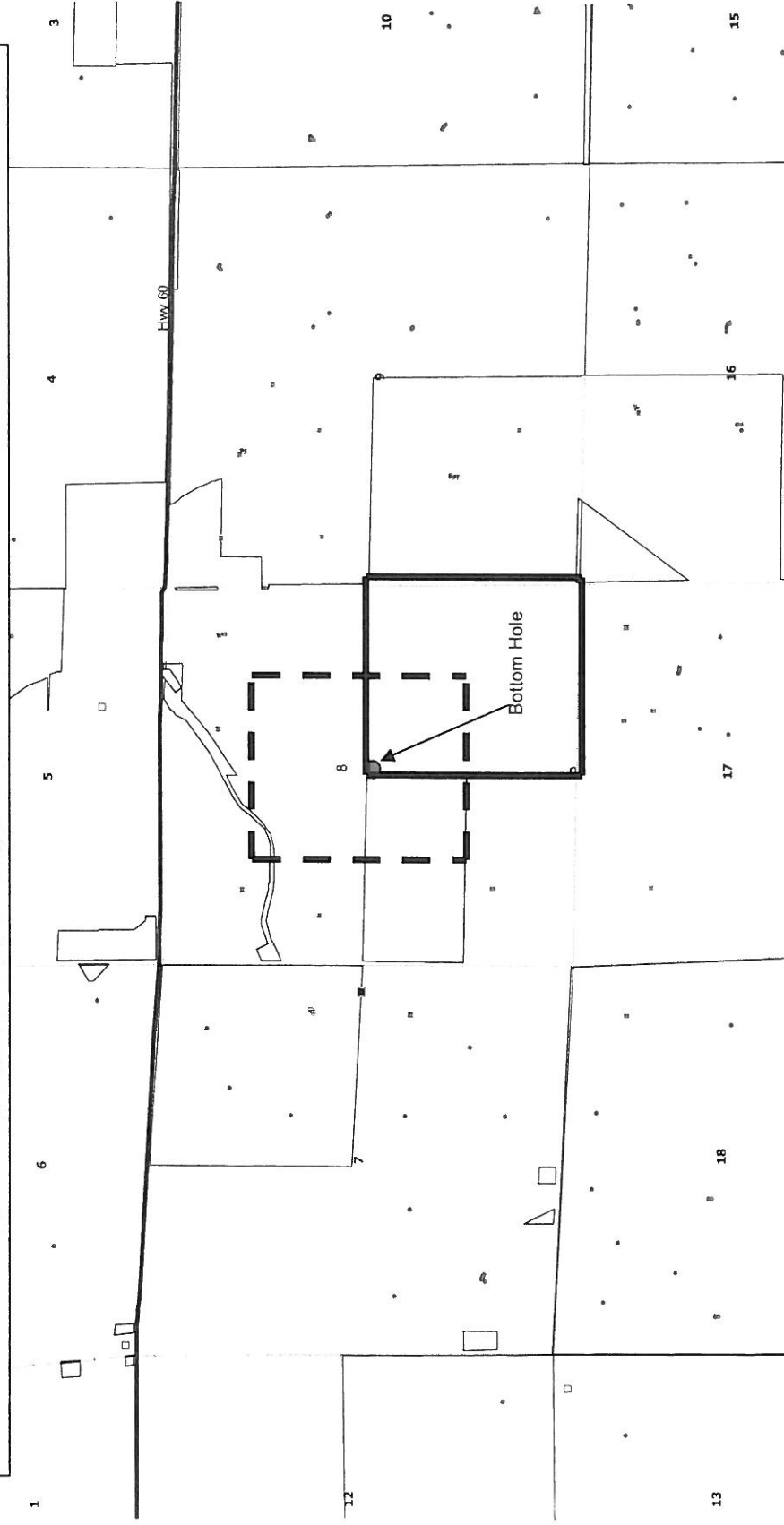
**Company:** \_\_\_\_\_

**By:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**Date:** \_\_\_\_\_

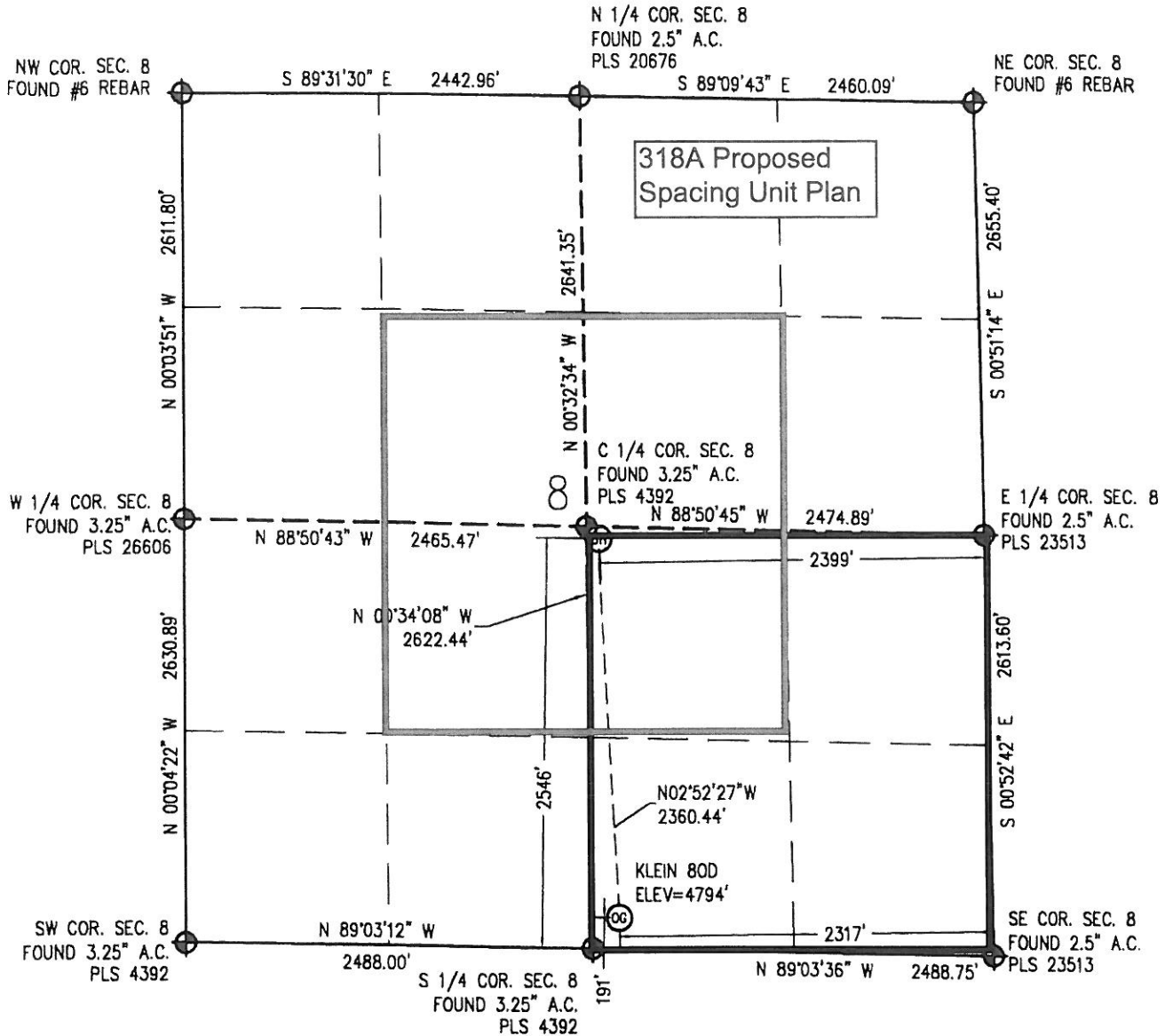
**SRC Klein 8OD  
Sec. 8, T4N, R67W**



**LEGEND**

— Synergy Resources Corporation Lease (Solid Line)

- - - Proposed 160 Spacing Unit  
Bottom Hole Located 2546' FSL, 2399' FEL, Sec. 8, T4N, R67W

**WELL LOCATION CERTIFICATE**  
THIS MAP DOES NOT REPRESENT A BOUNDARY SURVEY

Scale 1" = 1000 ft

IN ACCORDANCE WITH A REQUEST FROM CRAIG RASMUSON - SYNERGY RESOURCES, BASELINE ENGINEERING CORP. HAS DETERMINED THE LOCATION OF THE KLEIN 800 TO BE 191' FSL AND 2,317' FEL, AS MEASURED AT NINETY (90) DEGREES FROM THE SECTION LINE OF SECTION 8, TOWNSHIP 4 NORTH, RANGE 67 WEST AND THE BOTTOM HOLE LOCATION TO BE 2,546' FSL AND 2,399' FEL OF SECTION 8, TOWNSHIP 4 NORTH, RANGE 67 WEST, 6TH PRINCIPAL MERIDIAN, WELD COUNTY, COLORADO.

I HEREBY CERTIFY THAT THIS WELL LOCATION CERTIFICATE WAS PREPARED BY ME, OR UNDER MY DIRECT SUPERVISION, THAT THE FIELD WORK WAS COMPLETED ON 1/13/2011, THAT IT IS NOT A LAND SURVEY PLAT OR AN IMPROVEMENT SURVEY PLAT, AND THAT IT IS NOT TO BE RELIED UPON FOR ESTABLISHMENT OF FENCE, BUILDING, OR OTHER FUTURE IMPROVEMENT LINES.

**NOTES:**

- 1) LAT/LONG SHOWN ARE BASED ON A GPS OBSERVATION (NAD83).
- 2) BEARINGS SHOWN ARE GRID BEARINGS OF THE COLORADO STATE PLANE COORDINATE SYSTEM, NORTH ZONE, NORTH AMERICAN DATUM 1983/2007.
- 3) GROUND ELEVATIONS ARE BASED ON A GPS OBSERVATION (NAVD 88 DATUM).
- 4) ALL DISTANCES SHOWN ARE FIELD MEASURED UNLESS OTHERWISE NOTED.
- 5) THE NEAREST EXISTING WELL IS: NONE IN QUARTER SECTION.
- 6) IMPROVEMENTS: SEE LOCATION DRAWING EXHIBIT FOR ALL VISIBLE IMPROVEMENTS WITHIN 600' OF WELL HEAD.
- 7) SURFACE USE: CORN FIELD.

**SURFACE HOLE:**  
LATITUDE: 40.320791° N  
LONGITUDE: 104.914296° W  
PDOP: 1.2  
1/4, 1/4: SW1/4SE1/4  
NEAREST PROPERTY LINE: 170' W  
**BOTTOM HOLE:**  
LATITUDE: 40.327263° N  
LONGITUDE: 104.914665° W

**LEGEND**

- ⊕ - FOUND/SET SURVEY MONUMENT PER MONUMENT RECORD EXCEPTIONS NOTED
- - CALCULATED SURVEY MONUMENT POSITION
- (c) - CALCULATED DIMENSION



Mark A. Hall  
Professional Land Surveyor Registration No. 36073  
State of Colorado  
FOR AND ON BEHALF OF BASELINE ENGINEERING CORP.

Completed  
4/6/2011

NOTICE: According to Colorado law you MUST commence any legal action based upon any defect in this WLLC within three years after you first discover such defect. In no event may any action based upon any defect in this WLLC be commenced more than ten years from this said date of the certification shown hereon.

JOB #: SYN04N67W08-02