

FORM
2

Rev
12/05

State of Colorado Oil and Gas Conservation Commission

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Document Number:

400303087

Date Received:

07/06/2012

PluggingBond SuretyID

20090043

APPLICATION FOR PERMIT TO:

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

2. TYPE OF WELL

OIL GAS COALBED OTHER _____
SINGLE ZONE MULTIPLE COMMINGLE

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: Brianne Visconti Phone: (970)737-1073 Fax: (970)737-1045

Email: bvisconti@syrinfo.com

7. Well Name: Olson Well Number: 42-3D

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

9. Proposed Total Measured Depth: 8189

WELL LOCATION INFORMATION

10. QtrQtr: NENE Sec: 3 Twp: 3N Rng: 68W Meridian: 6

Latitude: 40.260483 Longitude: -104.982656

Footage at Surface: 784 feet FNL 778 feet FEL

11. Field Name: WATTENBERG Field Number: 90750

12. Ground Elevation: 5041 13. County: WELD

14. GPS Data:

Date of Measurement: 06/26/2012 PDOP Reading: 1.2 Instrument Operator's Name: AARON A DEMO

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

Footage at Top of Prod Zone: 2034 FNL 652 FEL Bottom Hole: 2034 FNL 652 FEL
Sec: 3 Twp: 3N Rng: 68W Sec: 3 Twp: 3N Rng: 68W

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: 638 ft

18. Distance to nearest property line: 273 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 970 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	N/2
NIOBRARA/CODELL	NB-CD	407-87	80	N/2 NE/4

21. Mineral Ownership: Fee State Federal Indian Lease #: _____

22. Surface Ownership: Fee State Federal Indian

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

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 Bond \$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):

NENE SEC.3, T-3N, R68W

25. Distance to Nearest Mineral Lease Line: 652 ft 26. Total Acres in Lease: 160

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 28 or 29 are yes, is this location in a sensitive area (Rule 901.e)? Yes No

31. Mud disposal: Offsite Onsite

If 28, 29, or 30 are "Yes" a pit permit may be required.

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	Wt/Ft	Csg/Liner Top	Setting Depth	Sacks Cmt	Cmt Btm	Cmt Top
SURF	12+1/4	8+5/8	24	0	970	400	970	0
1ST	7+7/8	4+1/2	10.5	0	8,189	550	8,189	200

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

33. Comments NO CONDUCTIVE SURFACE CASING WILL BE USED

34. Location ID: _____

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: VP OPERATIONS Date: 7/6/2012 Email: CRASMUSON@SYRGINFO.

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

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
400303087	FORM 2 SUBMITTED
400303088	DIRECTIONAL DATA
400303089	WELL LOCATION PLAT
400303091	MULTI-WELL PLAN
400303110	DEVIATED DRILLING PLAN

Total Attach: 5 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>

Total: 0 comment(s)

BMP

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

Total: 0 comment(s)