

FORM 2
Rev 12/05

State of Colorado
Oil and Gas Conservation Commission
1120 Lincoln Street, Suite 801, Denver, Colorado 80203 Phone: (303) 894-2100 Fax: (303) 894-2109



Document Number:
400425062

Date Received:
05/28/2013

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

PluggingBond SuretyID
20090043

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@syrginfo.com

7. Well Name: Phelps Well Number: A-32NHZ

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

9. Proposed Total Measured Depth: 12084

WELL LOCATION INFORMATION

10. QtrQtr: SENE Sec: 32 Twp: 1N Rng: 66W Meridian: 6
Latitude: 40.010083 Longitude: -104.792375

Footage at Surface: 1772 feet FNL 252 feet FEL

11. Field Name: Wattenberg Field Number: 90750

12. Ground Elevation: 5019 13. County: WELD

14. GPS Data:

Date of Measurement: 05/22/2013 PDOP Reading: 1.3 Instrument Operator's Name: Aaron Demo

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

Footage at Top of Prod Zone: 1159 FNL 462 FEL Bottom Hole: 1159 FNL 460 FWL
Sec: 32 Twp: 1N Rng: 66W Sec: 32 Twp: 1N Rng: 66W

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: 814 ft

18. Distance to nearest property line: 252 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 660 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	NBRR		320	GWA

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):

N/2 32, 1N, 66W - Wellbore crosses lease lines within drilling and spacing unit; distance to nearest lease line is 0 feet; distance to Unit boundary is greater than 460'.

25. Distance to Nearest Mineral Lease Line: 0 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 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	9+5/8	36	0	1,150	390	1,150	0
1ST	8+3/4	7	26	0	7,706	730	7,706	
1ST LINER	6+1/8	4+1/2	11.6	6900	12,084			

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

33. Comments Conductor casing will not be used. Operator request an exception location per rule 318 A.a. Request letter and waiver are attached. Operator requests the proposed spacing unit: 320 Acres, N/2 of Section 32.

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: 5/28/2013 Email: crasmuson@syrinfo.com

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.

Data retrieval failed for the subreport 'IntPolicy_NTC' located at: W:\netpub\Net\Reports\policy_nto.rdl. Please check the

Attachment Check List

Att Doc Num	Name
400425062	FORM 2 SUBMITTED
400425067	DIRECTIONAL DATA
400425068	PROPOSED SPACING UNIT
400425069	PLAT
400425070	DEVIATED DRILLING PLAN
400425071	OFFSET WELL EVALUATION
400425072	EXCEPTION LOC REQUEST
400425073	EXCEPTION LOC WAIVERS
400425076	VARIANCE REQUEST

Total Attach: 9 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Returned to draft for the following: No description of Proposed Spacing Unit in operator comments, lease description does not match total acres, No 2A submitted. Requesting operator rename "other" to "Variance Request".	5/29/2013 10:10:21 AM

Total: 1 comment(s)

BMP

<u>Type</u>	<u>Comment</u>
Drilling/Completion Operations	Operator will comply with COGCC Policy for Bradenhead Monitoring During Hydraulic Fracturing Treatments in the Greater Wattenberg Area dated May 29, 2012.
Drilling/Completion Operations	Anti-collision: Prior to drilling operations, Operator will perform an anti-collision scan of existing offset wells that have the potential of being within close proximity of the proposed well. This anti-collision scan will include definitive MWD or gyro surveys of the offset wells with included error of uncertainty per survey instrument, and compared against the proposed wellpath with its respective error of uncertainty. If current surveys do not exist for the offset wells, Operator may have gyro surveys conducted to verify bottomhole location. The proposed well will only be drilled if the anti-collision scan results indicate that there is not a risk for collision, or harm to people or the environment. For the proposed well, upon conclusion of drilling operations, an as-constructed gyro survey will be submitted to COGCC with the Form 5.

Total: 2 comment(s)