



November 20, 2013

Director  
Colorado Oil and Gas Conservation Commission  
1120 Lincoln Street, Suite 801  
Denver, CO 80203

Re: 30 Day Certification Letter – Rule 318 A(e)  
Phelps A-32NHZ  
Township 1 North, Range 66 West  
Section 32  
Weld County, Colorado

Dear Director,

Synergy Resources Corporation (SRC) is planning to drill the captioned horizontal well in accordance with the provisions of COGCC Rule 318A.(e).

SRC's proposed wellbore spacing unit consist of the N/2 of Section 32 Township 1N Range 66W, creating a 320-acre wellbore spacing unit for the Niobrara formation.

Synergy Resources Corporation hereby certifies to the Director that SRC owns 100% interest in the proposed well bore spacing unit for the above said well, and requests the Director to approve the Horizontal well.

If you have any questions or issues regarding this permit, please contact Craig Rasmuson at (970) 737-1073.

Sincerely,

*Craig Rasmuson*

Craig Rasmuson  
Synergy Resources Corporation

**WELL LOCATION CERTIFICATE**

THIS MAP DOES NOT REPRESENT A BOUNDARY SURVEY

SECTION 32  
TOWNSHIP 1 NORTH  
RANGE 66 WESTNW COR. SEC. 32  
FOUND #6 REB.  
W/ 3.25" A.C.  
PLS ILLEGIBLEN 1/4 COR. SEC. 32  
FOUND #6 REB.  
W/ 2" A.C.  
PLS 25937 N 89°30'12" E 2664.12'NE COR. SEC. 32  
FOUND #6 REB.  
W/ 2" A.C.  
PLS 25937W 1/4 COR. SEC. 32  
FOUND #6 REB.  
W/ 2.5" A.C.  
PLS 23027C 1/4 COR. SEC. 32  
FOUND 3" IRON PIPEE 1/4 COR. SEC. 32  
FOUND #6 REB.  
W/ 2" A.C.  
PLS 25937SW COR. SEC. 32  
FOUND #6 REB.  
W/ 3.25" A.C.  
PLS 31158SE COR. SEC. 32  
FOUND 2" A.C.  
IN RANGE BOX  
PLS 25937

IN ACCORDANCE WITH A REQUEST FROM CRAIG RASMUSON - SYNERGY RESOURCES, BASELINE ENGINEERING CORP. HAS DETERMINED THE LOCATION OF THE SRC PHELPS A-32NHZ TO BE 1,791' FNL AND 339' FEL AS MEASURED AT NINETY (90) DEGREES FROM THE SECTION LINE OF SECTION 32, TOWNSHIP 1 NORTH, RANGE 66 WEST AND THE BOTTOM HOLE LOCATION TO BE 1,528' FNL AND 460' FNL OF SECTION 32, TOWNSHIP 1 NORTH, RANGE 66 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 5/2/2013, 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: EMMA DELVETAL, 6.5 UNIT #1 586' SOUTHWEST.
- 6) IMPROVEMENTS: SEE LOCATION DRAWING EXHIBIT FOR ALL VISIBLE IMPROVEMENTS WITHIN 600' OF WELL HEAD.
- 7) SURFACE USE: NATURAL GROUP'D.

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 the date of the certification shown hereon.

**SURFACE HOLE:**  
LATITUDE: 40.0100304° N  
LONGITUDE: 104.752692° W  
PDOP: 1.3  
1/4, 1/4 SE1/4NE1/4  
NEAREST PROPERTY LINE: 339' E

**TARGET #1:**  
LATITUDE: 40.010765° N  
LONGITUDE: 104.791543° W  
**TARGET #2:**  
LATITUDE: 40.010763° N  
LONGITUDE: 104.793114° W

**BOTTOM HOLE:**  
LATITUDE: 40.010748° N  
LONGITUDE: 104.808738° W

**LEGEND**

- - FOUND/SET SURVEY MONUMENT PER MONUMENT RECORD EXCEPTIONS NOTED
- - CALCULATED SURVEY MONUMENT
- (C) - CALCULATED DIMENSION

**AARON A. DEMO**  
Professional Land Surveyor Registration No. 38285  
State of Colorado  
FOR AND ON BEHALF OF BASELINE ENGINEERING CORP.

Completed  
11/13/2013

JOB #: SYR001866W32-01