



VIA EFORMS

Mr. Matt Lepore
Colorado Oil & Gas Conservation Commission
1120 Lincoln Street, Suite 801
Denver, CO 80203

June 12, 2015

RE: Application for Permit to Drill - Exception Location Request
Synergy Resources Corporation
Ivey M-11-12HC
SHL: 1,077' FSL 1,730' FEL (SW/4 SE/4)
Sec. 11 T1S R68W
BHL: $\pm 1,015'$ FSL $\pm 2,175'$ FWL (SE/4 SW/4)
Sec. 12 T1S R68W
Adams County, Colorado
Surface: Fee
Mineral Lease: Fee

Dear Mr. Lepore:

Synergy Resources Corporation (Synergy) respectfully requests that the Director grant an exception location to Colorado Oil and Gas Conservation Commission (COGCC) Rule 318A.a. and Rule 318A(c) for the above referenced well. The surface location, pertaining to the Application for Permit to Drill (APD), does not conform to COGCC Rule 318A.a due to surface owner request and topography. The preferred location was agreed upon by Synergy and the surface owners through multiple conversations and meetings.

COGCC Rule 318.A.a stipulates that a Greater Wattenberg Area (GWA) well surface location must be within a 400' by 400' drilling window centered at the center of each quarter-quarter section, or inside a 800' by 800' drilling window centered at the center of each quarter section. The above referenced well falls outside of these drilling windows.

COGCC Rule 318A.c. stipulates that a GWA well surface location shall not be less than 50' from an existing well. As planned, this surface location is greater than 50' from an existing well.

Synergy requests the Director approve the proposed exception location. The surface owners have agreed to the placement of the well. Please find the attached waiver from the surface owners.

Please send a copy of all correspondence to Upstream Petroleum Management, Inc. at 7000 S. Yosemite St., Suite 290B, Englewood, CO 80112. Please contact me at 303-942-0506 or at acallaway@upstreampm.com if you have any questions.

Sincerely,

Angela G. Callaway
Permit Agent for Synergy Resources Corporation

Your Assets / Our Expertise

- Regulatory
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- Project Coordination
- Permitting
- Government Relations
- EA/EIS Assistance