



October 12, 2016

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

RE: COGCC Rule 318A.e.: Proposed Wellbore Spacing Unit

Orr 23N-32A-M
6N-66W 31: S/2; Sec 32: W/2SE/4, SW/4
6N-67W 36: E/2SE/4
643.13 Acres

Dear Mr. Lepore,

Synergy Resources Corporation (SRC) is planning to drill the above referenced well in accordance with the provisions set out in COGCC Rule 318A.e. Synergy's proposed wellbore spacing unit consists of:

Orr 23N-32A-M
6N-66W 31: S/2; Sec 32: W/2SE/4, SW/4
6N-67W 36: E/2SE/4
643.13 Acres

Synergy is not the only owner within the proposed wellbore spacing unit and has provided notice to the remaining owner(s) within this spacing unit, as required by COGCC Rule 318A.e. (6). Copies of the required notification letters are on file at Synergy's office. The required thirty (30) day notice period has elapsed absent the receipt by Synergy of any objection to their proposal by the owner(s) within the proposed spacing unit for the subject well.

Enclosed is the Proposed Spacing Unit Plat to assist in your review and approval of Synergy's proposed Application for Permit to Drill (APD) for Orr 23N-32A-M well. Synergy respectfully requests the COGCC to review the enclosed information and approve the requested exception location waiver and APD for Orr 23N-32A-M.

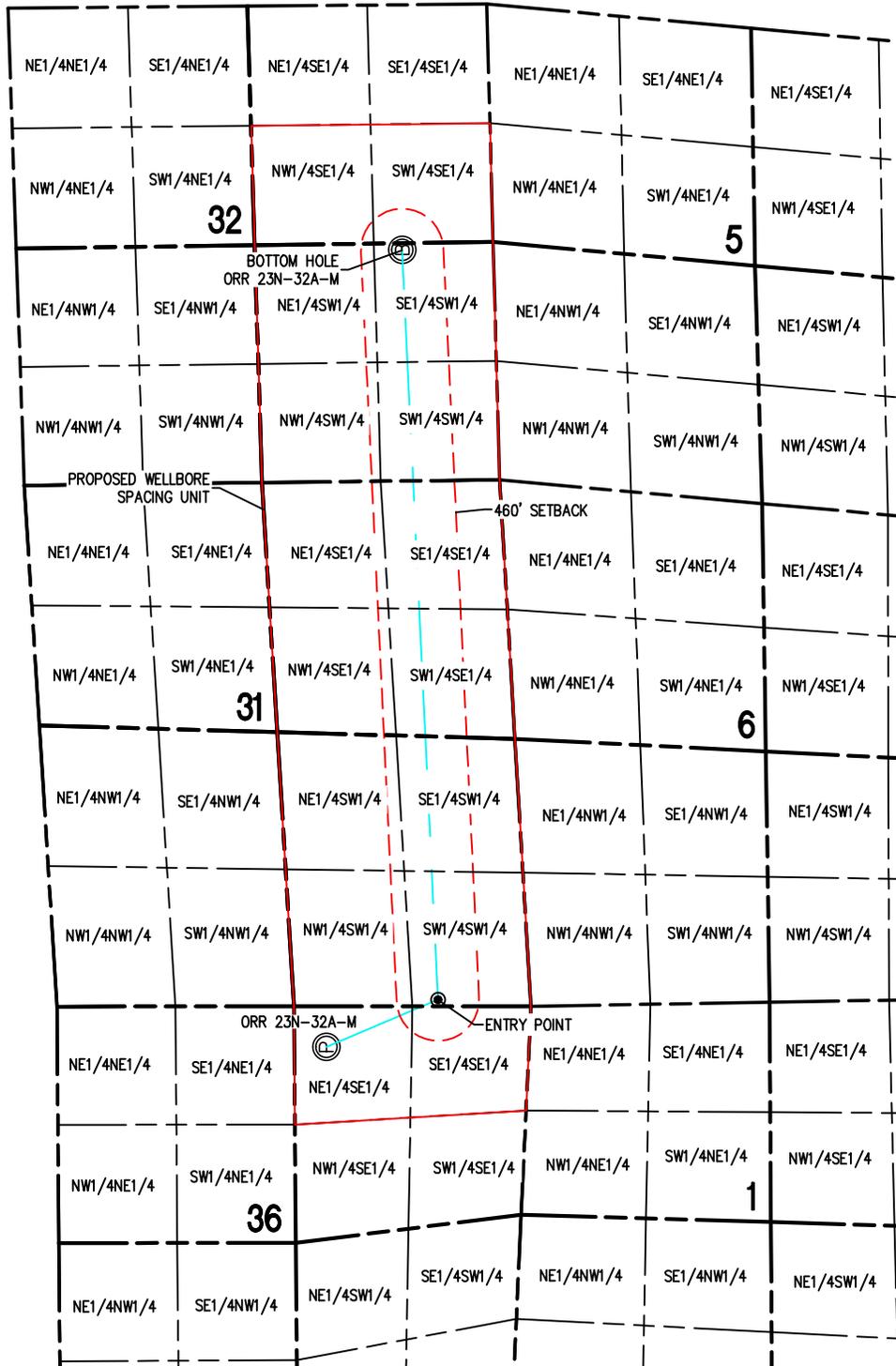
Thank you,

Erin Ekblad
Manager of Regulatory Affairs
Synergy Resources Corporation

Attachment: Proposed Spacing Unit Plats

WELL BORE SPACING UNIT

ORR 23N-32A-M



SURFACE HOLE:
LATITUDE: 40.442471° N
LONGITUDE: 104.834171° W
BOTTOM HOLE:
LATITUDE: 40.439960° N
LONGITUDE: 104.802227° W

ENTRY POINT:
LATITUDE: 40.439045° N
LONGITUDE: 104.832304° W

NOTES:

- 1) THIS SKETCH DOES NOT REPRESENT A BOUNDARY SURVEY.
- 2) THE DATUM FOR THE LATITUDES AND LONGITUDES ON THIS SKETCH IS NAD83.



0 2000
Scale 1" = 2000 ft