



January 10, 2017

Bayswater Exploration and Production
730 17th street Suite 610
Denver, CO 80202

RE: Rule 317.r. & 317.s.
Hood Doles 37-20 Pad
Township 6 North, Range 66 West
Section 20
Weld County, Colorado

Ladies and Gentlemen,

Synergy Resources (Synergy) is applying for a permits to drill the captioned horizontal wells. Pursuant to Rule 317.r, you are provided notice of a permitted wells lying within one hundred fifty (150) feet of the existing permitted wells cited below. An operator will perform an anti-collision evaluation of all active (producing, shut in, or temporarily abandoned) offset wellbores that have the potential of being within 150 feet of a proposed wells prior to drilling operations for the proposed wells. Notice shall be given to all offset operators prior to drilling.

Additionally, pursuant to Rule 317.s, no portion of a proposed wellbore's treated interval shall be located within one hundred fifty (150) feet of an existing (producing, shut-in, or temporarily abandoned) or permitted oil and gas wellbore's treated interval belonging to another operator without the signed written consent of the operator of the encroached upon wellbore.

Synergy Resources (Synergy) is applying for permits to drill the captioned horizontal wells. Pursuant to Rule 317.r, you are provided notices for Bayswater's existing permits within one hundred fifty (150) feet of our below listed wells.

Offset Well API #	Offset Well Name	Nearest Proposed Horizontal Well Name
05-123-43655	Ward #M-20-19HN	Hood 11C-22-M
05-123-43661	Ward #N-20-19HC	Hood 11C-22-M
05-123-43657	Ward #O-20-19HN	Hood 11C-22-M
05-123-43658	Ward #P-20-19HN	Hood 11C-22-M
05-123-43659	Ward #Q-20-19HC	Hood 11C-22-M
05-123-43662	Ward #R-20-19HN	Hood 11C-22-M
05-123-43660	Ward #S-20-19HN	Hood 11C-22-M
05-123-43656	Ward #T-20-19HC	Hood 11C-22-M
05-123-43653	Ward #U-20-19HN	Hood 11C-22-M

Per Rule 317.s. , Synergy Resources will not have a stimulated interval within 150' feet of the offset wells (Permits) of Bayswater.

Sincerely,

Erin Ekblad
Manager Regulatory Affairs
Synergy Resources Corporation