



January 10, 2017

Bayswater Exploration and Production  
 730 17<sup>th</sup> 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
05-123-43657	Ward #O-20-19HN	Hood 14N-22A-M
05-123-43658	Ward #P-20-19HN	Hood 14N-22A-M
05-123-43659	Ward #Q-20-19HC	Hood 14N-22A-M
05-123-43662	Ward #R-20-19HN	Hood 14N-22A-M
05-123-43660	Ward #S-20-19HN	Hood 14N-22A-M
05-123-43656	Ward #T-20-19HC	Hood 14N-22A-M
05-123-43653	Ward #U-20-19HN	Hood 14N-22A-M
05-123-43651	Ward #V-20-19HN	Hood 14N-22A-M
05-123-43654	Ward #W-20-19HC	Hood 14N-22A-M
05-123-43652	Ward #X-20-19HN	Hood 14N-22A-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