

FORM
2

Rev
12/05

State of Colorado
Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80205 Phone: (303) 894-2100 Fax: (303) 894-2109



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| DE | ET | OE | ES |
|----|----|----|----|

APPLICATION FOR PERMIT TO:

1. ☐ Drill, ☐ Deepen, ☐ Re-enter, ☒ **Recomplete and Operate**

2. TYPE OF WELL

OIL ☐ GAS ☒ COALBED ☐ OTHER _____
SINGLE ZONE ☐ MULTIPLE ZONE ☒ COMMINGLE ZONE ☒

Refiling ☐
Sidetrack ☐

Document Number:

1758558

Plugging Bond Surety

20070003

3. Name of Operator: BONANZA CREEK ENERGY OPERATING COMPANY LLC

4. COGCC Operator Number: 8960

5. Address: 410 17TH ST STE 1380

City: DENVER State: CO Zip: 80202

6. Contact Name: KERRY MCCOWEN Phone: (720)279-2330 Fax: (720)279-2331

Email: KAM@BONANZACRK.COM

7. Well Name: GUTTERSEN RANCH Well Number: 21-9

8. Unit Name (if appl): _____ Unit Number: _____

9. Proposed Total Measured Depth: 7220

WELL LOCATION INFORMATION

10. QtrQtr: NENW Sec: 9 Twp: 4N Rng: 63W Meridian: 6

Latitude: 40.332080 Longitude: -104.444910

Footage at Surface: 628 FNL/FSL 2138 FEL/FWL FWL

11. Field Name: WATTENBERG Field Number: 90750

12. Ground Elevation: 4656 13. County: WELD

14. GPS Data:

Date of Measurement: 07/30/2008 PDOP Reading: 2.4 Instrument Operator's Name: R.A. CHICHESTER

15. If well is ☐ Directional ☐ Horizontal (highly deviated) **submit deviated drilling plan.**

Footage at Top of Prod Zone: FNL/FSL _____ FEL/FWL _____ Bottom Hole: FNL/FSL _____ FEL/FWL _____

Sec: _____ Twp: _____ Rng: _____ Sec: _____ Twp: _____ Rng: _____

16. Is location in a high density area? (Rule 603b)? ☐ Yes ☒ No

17. Distance to the nearest building, public road, above ground utility or railroad: 1166

18. Distance to nearest property line: 628 19. Distance to nearest well permitted/completed in the same formation: 1108

20. LEASE, SPACING AND POOLING INFORMATION

| Objective Formation(s) | Formation Code | Spacing Order Number(s) | Unit Acreage Assigned to Well | Unit Configuration (N/2, SE/4, etc.) |
|------------------------|----------------|-------------------------|-------------------------------|--------------------------------------|
| J SAND | JSND | 232-235 | 160 | NW4 |
| NIOBRARA-CODELL | NB-CD | 407-87 | 80 | E2 NW4 |

21. Mineral Ownership: ☒ Fee ☐ State ☐ Federal ☐ Indian Lease #: _____

22. Surface Ownership: ☒ Fee ☐ State ☐ Federal ☐ Indian

23. Is the Surface Owner also the Mineral Owner? ☐ Yes ☒ No Surface Surety ID#: _____

23a. If 23 is Yes: Is the Surface Owner(s) signature on the lease? ☐ Yes ☐ No

23b. If 23 is No ☒ Surface Owners Agreement Attached or ☐ \$25,000 Blanket Surface Bon ☐ \$2,000 Surface Bond ☐ \$5,000 Surface Bond

24. Using standard QtrQtr, Sec, Twp, Rng format enter entire mineral lease description upon which this proposed wellsite is located (attach separate sheet/map if you prefer):
NW/4 & SE/4 SEC. 9 T4N R63W

25. Distance to Nearest Mineral Lease Line: _____ 461 _____ 26. Total Acres in Lease: _____ 320 _____

DRILLING PLANS AND PROCEDURES

27. Is H2S anticipated? ☐ Yes ☒ No If Yes, attach contingency plan.

28. Will salt sections be encountered during drilling? ☐ Yes ☒ No

29. Will salt (>15,000 ppm TDS CL) or oil based muds be used during drilling? ☐ Yes ☒ No

30. If questions 27 or 28 are yes, is this location in a sensitive area (Rule 903)? ☐ Yes ☒ No If 28, 29, or 30 are "Yes" a pit permit may be required.

31. Mud disposal: ☒ Offsite ☐ Onsite

Method: ☒ Land Farming ☐ Land Spreading ☐ Disposal Facility Other: _____

Note: The use of an earthen pit for Recompletion fluids requires a pit permit (Rule 905b). If air/gas drilling, notify local fire officials.

| Casing Type | Size of Hole | Size of Casing | Weight Per Foot | Setting Depth | Sacks Cement | Cement Bottom | Cement Top |
|-------------|--------------|----------------|-----------------|---------------|--------------|---------------|------------|
| SURF | 12+1/4 | 8+5/8 | 24 | 816 | 580 | 816 | 0 |
| 1ST | 7+7/8 | 4+1/2 | 11.6 | 7,222 | 308 | 7,222 | 3,298 |

32. BOP Equipment Type: ☐ Annular Preventer ☐ Double Ram ☐ Rotating Head ☒ None

33. Comments SET FTFP @ 7000' TO ISOLATE JSND PERFS, 7048-56'. PEFRF CODELL 6588-660', FRAC, SET FTFP OVER CODELL, PERF NIO 6338-6476, FRAC, FLOWBACK AND COMMINGLE J SAND, CODELL AND NIOBRARA.

34. Location ID: _____ 309969 _____

35. Is this application in a Comprehensive Drilling Plan ? ☐ Yes ☐ No

36. Is this application part of submitted Oil and Gas Location Assessment ? ☐ Yes ☒ No

I hereby certify all statements made in this form are, to the best of my knowledge, true, correct, and complete.

Signed: _____ Print Name: KERRY A. MCCOWEN

Title: V PRESIDENT Date: 8/20/2009 Email: KAM@BONANZACRK.COM

Based on the information provided herein, this Application for Permit-to-Drill complies with COGCC Rules and applicable orders and is hereby approved.

COGCC Approved: David S. Neslin Director of COGCC Date: 9/23/2009

API NUMBER

05 123 25661 00

Permit Number: _____ Expiration Date: 9/22/2010

CONDITIONS OF APPROVAL, IF ANY:

Condition of Approval

Comment

Agency

Prior to recompletion, operator must: 1) Provide 24 hour notice of MIRU to Ed Binkley at 970-506-9834 or e-mail at ed.binkley@state.co.us. 2) Upon well recompletion operator shall file a COGCC Form 5, Completion Report reflecting the actual casing and cement configuration.

Attachment Check List

| Att Doc Num | Name | Doc Description |
|-------------|----------------------|--------------------|
| 1758558 | APD ORIG & 1 COPY | LF@2128975 1758558 |
| 1758559 | 30 DAY NOTICE LETTER | LF@2128976 1758559 |
| 1940512 | SURFACE CASING CHECK | LF@2139365 1940512 |

Total Attach: 3 Files