

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 |
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Document Number:

400097674

Plugging Bond Surety

20070004

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 ☐

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

4. COGCC Operator Number: 8960

5. Address: P O BOX 21974

City: BAKERSFIELD State: CA Zip: 93390

6. Contact Name: Keith Caplan ext 203 Phone: (720)279-2330 Fax: (720)279-2331

Email: KCaplan@bonanzacrk.com

7. Well Name: Antelope Well Number: 24-31

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

9. Proposed Total Measured Depth: 6850

WELL LOCATION INFORMATION

10. QtrQtr: NESW Sec: 31 Twp: 5N Rng: 62W Meridian: 6

Latitude: 40.352760 Longitude: -104.370800

Footage at Surface: 1340 feet FNL/FSL 1319 feet FEL/FWL
FSL FWL

11. Field Name: Wattenberg Field Number: 90750

12. Ground Elevation: 4541 13. County: WELD

14. GPS Data:

Date of Measurement: 09/16/2010 PDOP Reading: 2.1 Instrument Operator's Name: Dan Griggs

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

Footage at Top of Prod Zone: FNL/FSL 660 FSL 1980 FWL 660 FSL 1980 FWL
Bottom Hole: FNL/FSL 660 FSL 1980 FWL
Sec: 31 Twp: 5N Rng: 62W Sec: 31 Twp: 5N Rng: 62W

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: 2030 ft

18. Distance to nearest property line: 1319 ft 19. Distance to nearest well permitted/completed in the same formation: 1 mi

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.) |
|------------------------|----------------|-------------------------|-------------------------------|--------------------------------------|
| Niobrara-Codell | NB-CD | 318A unsp | 40 | SESW |

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#: 20070001

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 Bond ☐ \$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):
T4N, R62W: Sec. 3: Lot 2, S/2 NW/4; Sec. 5: Lots 1 & 2, S/2 N/2, S/2; Sec. 17: N/2 N/2, S/2 NE/4; Sec. 18: N/2 of Lot 1, NE/4 NW/4, N/2 NE/4, (N/2 N/2); T4N, R63W: Sec. 1: Lots 1 & 2, S/2 N/2, S/2; Sec. 2: Lots 1 & 2, S/2 N/2, NE/4 SW/4, SE/4; Sec. 12: All; T5N, R62W: Sec. 3: Lot 2, SW/4 NE/4, W/2 SE/4; Sec. 15: W/2 E/2, W/2; Sec. 17: All; Sec. 18: SE/4; Sec. 19: Lots 3 & 4, E/2 SW/4, E/2; Sec. 20: W/2; Sec. 21: All; Sec. 29: All; Sec. 31: Lots 1, 2, 3, 4, E/2 W/2, E/2 (All); Sec. 33: N/2; T5N, R63W: Sec. 34: SE/4 NE/4, SE/4; Sec. 35: S/2; Sec. 36: SW/4 SW/4.

25. Distance to Nearest Mineral Lease Line: 660 ft 26. Total Acres in Lease: 8115

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 | Wt/Ft | Csg/Line Top | Setting Depth | Sacks Cmt | Cmt Btm | Cmt Top |
|-------------|--------------|----------------|-------|--------------|---------------|-----------|---------|---------|
| SURF | 12+1/4 | 8+5/8 | 24 | | 400 | 260 | 400 | 0 |
| 1ST | 7+7/8 | 4+1/2 | 11.6 | | 6,850 | 247 | 6,850 | 5,800 |

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

33. Comments Conductor casing will not be used on this well.

34. Location ID: _____

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: Keith Caplan

Title: Sr. Operations Technician Date: _____ Email: KCaplan@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: _____ Director of COGCC Date: _____

API NUMBER

05

Permit Number: _____ Expiration Date: _____

CONDITIONS OF APPROVAL, IF ANY:

All representations, stipulations and conditions of approval stated in the Form 2A for this location shall constitute representations, stipulations and conditions of approval for this Form 2 Permit-to-Drill and are enforceable to the same extent as all other representations, stipulations and conditions of approval stated in this Permit-to-Drill.

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Attachment Check List

| Att Doc Num | Name |
|-------------|------------------------|
| 400120649 | WELL LOCATION PLAT |
| 400120650 | DEVIATED DRILLING PLAN |

Total Attach: 2 Files

General Comments

| <u>User Group</u> | <u>Comment</u> | <u>Comment Date</u> |
|-------------------|----------------|---------------------|
| | | |

Total: 0 comment(s)

BMP

| <u>Type</u> | <u>Comment</u> |
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Total: 0 comment(s)