

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		DE ET OE ES
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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:
 400124638
 Plugging Bond Surety
 20070004

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@bonanzacr.com

7. Well Name: Wetco Farms Well Number: I-4

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

9. Proposed Total Measured Depth: 6800

WELL LOCATION INFORMATION

10. QtrQtr: NESW Sec: 4 Twp: 4N Rng: 63W Meridian: 6
 Latitude: 40.338140 Longitude: -104.443250

Footage at Surface: 1575 feet FSL 2577 feet FWL

11. Field Name: Wattenberg Field Number: 90750

12. Ground Elevation: 4605 13. County: WELD

14. GPS Data:

Date of Measurement: 01/14/2011 PDOP Reading: 2.2 Instrument Operator's Name: Dan R. Griggs

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
1170 FSL 1320 FWL 1170 FSL 1320 FWL
 Sec: 4 Twp: 4 Rng: 63 Sec: 4 Twp: 4 Rng: 63

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: 174 ft

18. Distance to nearest property line: 482 ft 19. Distance to nearest well permitted/completed in the same formation: 1000 ft

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		160	SW/4

IMPORTANT: SOME DATA FIELDS HAVE BEEN MODIFIED.

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 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):
T4N-R63W, 6th P.M. Section 4: Lot 2 (N/2 NW/4), S/2 NW/4, SW/4 and all that part of the E/2 lying West of a line parallel to and 2159 feet West of the East line of said Section 4; and E/2, except part lying west of a parallel line north and south, 2159 feet west of east line of the section.
25. Distance to Nearest Mineral Lease Line: 1170 ft 26. Total Acres in Lease: 655

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 28 or 29 are yes, is this location in a sensitive area (Rule 901.e)? Yes No
31. Mud disposal: Offsite Onsite **If 28, 29, or 30 are "Yes" a pit permit may be required.**
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/Liner Top	Setting Depth	Sacks Cmt	Cmt Btm	Cmt Top
SURF	12+1/4	8+5/8	24	0	697	490	697	0
1ST	7+7/8	4+1/2	11.6	0	6,800	200	6,800	6,000

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: 5/2/2011 Email: KCaplan@bonanzacr.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: 5/25/2011

Permit Number: _____ Expiration Date: 5/24/2013
API NUMBER
05 123 33565 00
CONDITIONS OF APPROVAL, IF ANY:

IMPORTANT: SOME DATA FIELDS HAVE BEEN MODIFIED.

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.

Derrick height (ground to crown) cannot exceed 116 feet due to close proximity to POWER LINE.

- 1) Provide 24 hour notice of MIRU to Bo Brown at e-mail bo.brown@state.co.us.
- 2) Comply with Rule 317.i and provide cement coverage from end of 7" casing to a minimum of 200' above Niobrara. Verify coverage with cement bond log.
- 3) Comply with Rule 321. Run and submit Directional Survey from TD to base of surface casing. Ensure that the wellbore complies with setback requirements in commission orders or rules prior to producing the well.

Attachment Check List

Att Doc Num	Name
400124638	FORM 2 SUBMITTED
400129142	WELL LOCATION PLAT
400160898	DEVIATED DRILLING PLAN

Total Attach: 3 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Back to draft at Opr-KC's request. sf	5/2/2011 12:09:14 PM

Total: 1 comment(s)

BMP

<u>Type</u>	<u>Comment</u>

Total: 0 comment(s)