

<b>FORM</b> <b>2</b> Rev 12/05	State of Colorado <b>Oil and Gas Conservation Commission</b> 1120 Lincoln Street, Suite 801, Denver, Colorado 80205 Phone: (303) 894-2100 Fax: (303) 894-2109		<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:25%;">DE</td> <td style="width:25%;">ET</td> <td style="width:25%;">OE</td> <td style="width:25%;">ES</td> </tr> </table>	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:  
 400124636

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      Phone: (720)440-6112      Fax: (720)279-2331  
 Email: KCaplan@bonanzacr.com

7. Well Name: Wetco Farms      Well Number: L-04

8. Unit Name (if appl): \_\_\_\_\_      Unit Number: \_\_\_\_\_

9. Proposed Total Measured Depth: 6800

**WELL LOCATION INFORMATION**

10. QtrQtr: Lot 2      Sec: 4      Twp: 4N      Rng: 63W      Meridian: 6  
 Latitude: 40.345080      Longitude: -104.442860

Footage at Surface: \_\_\_\_\_ feet      FNL/FSL \_\_\_\_\_ feet      FEL/FWL \_\_\_\_\_ feet

11. Field Name: Wattenberg      Field Number: 90750

12. Ground Elevation: 4565      13. County: WELD

14. GPS Data:  
 Date of Measurement: 01/21/2011      PDOP Reading: 2.4      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 \_\_\_\_\_

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: 540 ft

18. Distance to nearest property line: 514 ft      19. Distance to nearest well permitted/completed in the same formation: 830 ft

**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	unspaced	320	N/2

**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 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-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: 514 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. Proposed spacing unit is the E/2NE4, W/2NE4

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: 5/4/2011 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: 7/28/2011

**API NUMBER**  
05 123 34057 00

Permit Number: \_\_\_\_\_ Expiration Date: 7/27/2013

**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.

Operator must meet water well testing requirements as per amended rule 318A.

- 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
1771247	SURFACE CASING CHECK
2530873	EXCEPTION LOC WAIVERS
2530876	EXCEPTION LOC REQUEST
400124636	FORM 2 SUBMITTED
400127903	WELL LOCATION PLAT
400127904	OTHER

Total Attach: 6 Files

**General Comments**

User Group	Comment	Comment Date
Agency	Operator requests a variance to Rules 318Aa and 318Ac the well site is not in a GWA Window. The surface owner consent is attached.	7/28/2011 7:14:25 PM
Permit	Recieved waiver.	7/28/2011 10:46:53 AM
Permit	Requested an update on acquiring the waivers	7/26/2011 7:52:29 AM
Permit	Operator responded that they are working on obtaining the Landowner signature on our Exception Location Wavier Form. We hope to have it soon. This is per Landman. K Kaplan. 07/11/2011	7/26/2011 7:52:07 AM
Permit	Requested surface waivers or the permit will be withdrawn.	7/6/2011 3:31:14 PM
Permit	On hold waiting for surface waivers 318Aa, 318Ac	5/5/2011 6:30:10 AM

Total: 6 comment(s)

**BMP**

Type	Comment

Total: 0 comment(s)