

**APPLICATION FOR PERMIT TO:**

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

2. TYPE OF WELL

OIL       GAS       COALBED       OTHER \_\_\_\_\_

SINGLE ZONE       MULTIPLE       COMMINGLE

Refiling   
Sidetrack

Document Number:  
400219513

PluggingBond SuretyID  
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)440-6100      Fax: (720)279-2331  
Email: KCaplan@bonanzacr.com

7. Well Name: Pronghorn      Well Number: 31-44-6HZ

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

9. Proposed Total Measured Depth: 10800

**WELL LOCATION INFORMATION**

10. QtrQtr: Lot 2      Sec: 6      Twp: 5N      Rng: 61W      Meridian: 6  
Latitude: 40.436820      Longitude: -104.250410

Footage at Surface:      225 feet      FNL      2062 feet      FEL

11. Field Name: Wattenberg      Field Number: 90750

12. Ground Elevation: 4614      13. County: WELD

14. GPS Data:  
Date of Measurement: 10/25/2011      PDOP Reading: 2.9      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      FEL/FWL      Bottom Hole:      FNL/FSL      FEL/FWL

460      FNL      1981      FEL      460      FSL      460      FEL

Sec: 6      Twp: 5N      Rng: 61W      Sec: 6      Twp: 5N      Rng: 61W

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: 206 ft

18. Distance to nearest property line: 225 ft      19. Distance to nearest well permitted/completed in the same formation(BHL): 160 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	NBRR	407-380	640	All

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 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):  
 T5N-R61W: Sec. 5: All; Sec. 6: All; Sec. 7: All; Sec. 17: W/2, SE/4; Sec. 18: All

25. Distance to Nearest Mineral Lease Line: 460 ft                      26. Total Acres in Lease: 2361

**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	9+5/8	36	0	410	128	410	0
1ST	8+3/4	7+0/0	26	0	6,560	782	6,560	0
1ST LINER	6+1/8	4+1/2	11.6	0	10,740			

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

33. Comments    Conductor casing will not be used on this well. Operator requests approval of Rule 318Aa exception location: Wellhead is to be located outside of a GWA drilling window. Waiver and exception request attached.

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 Tech                      Date: 11/25/2011                      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: 12/20/2011

<b>API NUMBER</b>
05 123 34823 00

Permit Number: \_\_\_\_\_                      Expiration Date: 12/19/2013

**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.**

Operator must meet water well sampling requirements as per Rule 318A.

- 1) Provide 24 hour notice of MIRU to Jim Precup at 303-469-1902 or e-mail at james.precup@state.co.us .
- 2) Provide cement coverage from base of intermediate casing to a minimum of 200' above Niobrara. Verify coverage with cement bond log.
- 3) 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
2531560	WAIVERS
400219513	FORM 2 SUBMITTED
400219889	SURFACE AGRMT/SURETY
400219903	WELL LOCATION PLAT
400226564	DEVIATED DRILLING PLAN

Total Attach: 5 Files

### **General Comments**

<b><u>User Group</u></b>	<b><u>Comment</u></b>	<b><u>Comment Date</u></b>
Permit	Operator provide the surface waiver and accepted the BMP. No LGD or public comment received; final review completed.	12/20/2011 6:37:13 AM
Permit	On hold - Operastor must address proximity issues with existing wells. The lateral of this APD comes within 160 feet of the Bonanza pronghorn 43-6. BMP required.	12/12/2011 3:46:03 PM
Permit	Waiver recieved.	12/12/2011 3:29:26 PM
Permit	On hold waiting for surface exception loc request and waiver(318Aa)	11/28/2011 12:21:26 PM

Total: 4 comment(s)

## BMP

<u>Type</u>	<u>Comment</u>
Drilling/Completion Operations	<p>Best Management Practice for a Horizontal Wellbore Fracturing Stimulation</p> <ol style="list-style-type: none"><li>1. At least seven (7) days prior to fracture stimulation, the operator is to notify all operators of non-operated wells within 300 feet of the wellbore to be fracture stimulated of the anticipated date stimulation date and the recommended best management practice to shut-in all wells within 300' of the stimulated wellbore completed in the same formation.</li><li>2. The operator will monitor the bradenhead pressure of all wells within 300 feet of the well to be fracture stimulated.</li><li>3. Bradenhead pressure gauges are to be installed 24 hours prior to stimulation. The gauges are to read at least once during every 24-hour period until 24-hours after stimulation is completed (post flowback). The gauges are to be of the type able to read current pressure and record the maximum encountered pressure in a 24-hour period. The gauge is to be reset between each 24-hour period. The pressures are to be recorded and saved. Alternate electronic measurement may be used to record the prescribed pressures. Data shall be kept for a period of one year.</li><li>4. If at any time during stimulation or the 24-hour post-stimulation period, the bradenhead annulus pressure of the treatment well or offset wells increases more than 200 psig, as per Rule 341, the operator of the well being stimulated shall verbally notify the Director as soon as practicable, but no later than twenty-four (24) hours following the incident. Within fifteen (15) days after the occurrence, the operator shall submit a Sundry Notice, Form 4, giving all details, including corrective actions taken.</li></ol>

Total: 1 comment(s)