

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



Document Number:

400241009

Date Received:

02/28/2012

PluggingBond SuretyID

20070004

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 ☐

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@bonanzacrk.com

7. Well Name: North Platte Well Number: N-34

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

9. Proposed Total Measured Depth: 6800

WELL LOCATION INFORMATION

10. QtrQtr: SESW Sec: 34 Twp: 5N Rng: 63W Meridian: 6

Latitude: 40.349090 Longitude: -104.423370

Footage at Surface: 134 feet FNL/FSL 2240 feet FEL/FWL FSL FWL

11. Field Name: Wattenberg Field Number: 90750

12. Ground Elevation: 4529 13. County: WELD

14. GPS Data:

Date of Measurement: 04/09/2011 PDOP Reading: 1.1 Instrument Operator's Name: Aaron Lund

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

Footage at Top of Prod Zone: FNL/FSL 1326 FSL 2623 FWL FWL Bottom Hole: FNL/FSL 1326 FSL 2623 FEL/FWL FWL
Sec: 34 Twp: 5N Rng: 63W Sec: 34 Twp: 5N Rng: 63W

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: 170 ft

18. Distance to nearest property line: 2240 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 885 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 | GWA |

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 R63W: Sec. 28: All except NE/4 NE/4, SW/4 SW/4, and that portion of the W/2 of the NW/4 and the NW/4 of the SW/4, described by metes & bounds. Sec. 33: That part of the N/2 lying North and Northeasterly of the Right of Way of the Union Pacific Railroad Company. Sec. 34: W/2 NW/4, and that part of the SW/4 described by metes & bounds; SE/4 NW/4.

25. Distance to Nearest Mineral Lease Line: 1326 ft

26. Total Acres in Lease: 808

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 | 410 | 170 | 410 | 0 |
| 1ST | 7+7/8 | 4+1/2 | 11.6 | 0 | 6,800 | 154 | 6,800 | 5,950 |

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

33. Comments Conductor casing will not be used on this well. Wellbore Spacing Unit: T5N63W: Sec 34 E/2 SW/4 and W/2 SE/4. Bonanza Creek 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: 2/28/2012 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: 3/23/2012

API NUMBER

05 123 35304 00

Permit Number: _____ Expiration Date: 3/22/2014

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.

Well head is 170 feet from a public road; derrick height (ground to crown) cannot exceed 113 feet.

- 1) Provide 48 hour notice of MIRU to John Montoya by e-mail at John.Montoya@state.co.us. Indicate Spud Notice in the subject line and provide the following information: Operator Name, Well Name and Number, API #, Spud Date, Contact Name, Contact Phone #, Email Address. Submit Form 42 electronically after April 1 for spud notice.
- 2) Provide cement coverage from TD 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 |
|-------------|------------------------|
| 2331820 | SURFACE CASING CHECK |
| 400241009 | FORM 2 SUBMITTED |
| 400255992 | SURFACE AGRMT/SURETY |
| 400255994 | PROPOSED SPACING UNIT |
| 400255995 | PROPOSED SPACING UNIT |
| 400255997 | PLAT |
| 400255998 | DEVIATED DRILLING PLAN |
| 400255999 | DIRECTIONAL DATA |
| 400256001 | EXCEPTION LOC REQUEST |
| 400256003 | EXCEPTION LOC WAIVERS |

Total Attach: 10 Files

General Comments

| <u>User Group</u> | <u>Comment</u> | <u>Comment Date</u> |
|--------------------------|--|----------------------------|
| Permit | No LGD or public comment received; final review completed. | 3/22/2012 12:46:21 PM |
| Permit | Operator revised property line distance per K. Caplan | 2/29/2012 10:36:27 AM |
| Permit | Need property waiver and request. | 2/29/2012 6:53:54 AM |

Total: 3 comment(s)

BMP

| <u>Type</u> | <u>Comment</u> |
|--------------------|-----------------------|
| | |

Total: 0 comment(s)