

FORM
2

Rev
12/05

State of Colorado
Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80203 Phone: (303) 894-2100 Fax: (303) 894-2109



Document Number:

400354862

Date Received:

12/19/2012

PluggingBond SuretyID

20120018

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: 410 17TH STREET SUITE #1400

City: DENVER State: CO Zip: 80202

6. Contact Name: Keith Caplan Phone: (720)440-6100 Fax: (720)279-2331

Email: KCaplan@BonanzaCrk.com

7. Well Name: Park Well Number: 44-41-4HNB

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

9. Proposed Total Measured Depth: 11126

WELL LOCATION INFORMATION

10. QtrQtr: SESE Sec: 4 Twp: 4N Rng: 63W Meridian: 6

Latitude: 40.334390 Longitude: -104.437810

Footage at Surface: 201 feet FNL/FSL FSL 1100 feet FEL/FWL FEL

11. Field Name: Wattenberg Field Number: 90750

12. Ground Elevation: 4626 13. County: WELD

14. GPS Data:

Date of Measurement: 10/26/2012 PDOP Reading: 2.0 Instrument Operator's Name: Wyatt Hall

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

Footage at Top of Prod Zone: FNL/FSL 470 FSL 750 FEL 470 FNL 680 FEL 470
Sec: 4 Twp: 4N Rng: 63W Sec: 4 Twp: 4N 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: 513 ft

18. Distance to nearest property line: 201 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 173 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	NBRR		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):

T4N-R63W-Section 4: ALL

25. Distance to Nearest Mineral Lease Line: 470 ft

26. Total Acres in Lease: 654

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	13+1/2	9+5/8	36	0	760	200	760	0
1ST	8+3/4	7	26	0	6,806	500	6,806	2,500
1ST LINER	6+1/8	4+1/2	11.6	6706	11,126			

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

33. Comments Conductor casing will not be used on this well. The Wellbore Spacing Unit is E/2 E/2 Section 4, Township 4N, Range 63W, 6th PM, Weld County, CO (160 acres).

34. Location ID: 428521

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 S. Caplan

Title: Sr. Regulatory Specialist Date: 12/19/2012 Email: KCaplan@BonanzaCrk.com

Operator must have a valid water right or permit allowing for industrial use or purchased water from a seller that has a valid water right or permit allowing for industrial use, otherwise an application for a change in type of use is required under Colorado law. Operator must also use the water in the location set forth in the water right decree or well permit, otherwise an application for a change in place of use is required under Colorado law. Section 37-92-103(5), C.R.S. (2011).

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: Matthew Lee Director of COGCC Date: 2/5/2013

API NUMBER

05 123 36709 00

Permit Number: _____ Expiration Date: 2/4/2015

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 testing requirements per Rule 318A.

Per the attached Correspondence (Doc# 2482140), Bonanza Creek agrees to plug and abandon the Park #41-4 (API# 123-12204) well. Both a Form 6 NOI outlining the plugging procedures and a Form 6 SRA describing the work done must be submitted and approved for the referenced well prior to the hydraulic fracture treatment of this well.

1)Note surface casing setting depth change from 410' to 760'. Increase cement coverage accordingly and cement to surface.

2)Provide notice of MIRU via an electronic Form 42.

3)Comply with Rule 317.i and provide cement coverage to a minimum of 200' above the Niobrara. Verify cement coverage with a cement bond log per 317.o.

Applicable Policies and Notices to Operators

Notice Concerning Operating Requirements for Wildlife Protection.

Policy for Bradenhead Monitoring During Hydraulic Fracturing Treatments in the Greater Wattenberg Area.

Attachment Check List

Att Doc Num	Name
2482140	CORRESPONDENCE
400354862	FORM 2 SUBMITTED
400360072	SURFACE AGRMT/SURETY
400360073	DEVIATED DRILLING PLAN
400360074	DIRECTIONAL DATA
400360075	WELL LOCATION PLAT
400360080	EXCEPTION LOC WAIVERS
400360083	EXCEPTION LOC REQUEST
400360086	PROPOSED SPACING UNIT
400360087	PROPOSED SPACING UNIT

Total Attach: 10 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final Review Completed. No LGD or public comment received.	2/4/2013 6:56:43 AM
Permit	Per operator corrected casing information, total depth, input comment regarding spacing unit, and surface and minerals information.	2/4/2013 6:46:00 AM
Permit	Operator requests approval of a Rule 318Aa and Rule 318Ac exception location: Wellhead is to be located outside of a GWA drilling window and will be located more than 50' from an existing well location. Request and waivers attached.	1/31/2013 2:16:54 PM
Permit	Requested surface and minerals information, planned total depth, and description of proposed spacing unit.	1/31/2013 2:08:23 PM
Engineer	Evaluated offset wells for adequate cement coverage.	12/27/2012 10:27:01 AM

Total: 5 comment(s)

BMP

<u>Type</u>	<u>Comment</u>
Drilling/Completion Operations	Bonanza Creek Energy acknowledges and will comply with the "COGCC Policy for Bradenhead Monitoring during Hydraulic Fracturing Treatments in the Greater Wattenberg Area," dated May 29, 2012.

Total: 1 comment(s)