

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:

400348621

Date Received:

01/11/2013

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 LLC4. COGCC Operator Number: 89605. Address: 410 17TH STREET SUITE #1400City: DENVER State: CO Zip: 802026. Contact Name: Randy Edelen Phone: (720)440-1600 Fax: (720)279-2331Email: REdelen@bonanzacrk.com7. Well Name: Antelope Well Number: K-O-18HNB

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

9. Proposed Total Measured Depth: 11256

WELL LOCATION INFORMATION

10. QtrQtr: NWNW Sec: 18 Twp: 5N Rng: 62W Meridian: 6Latitude: 40.404930 Longitude: -104.370810Footage at Surface: 624 feet FNL/FSL 1278 feet FEL/FWL FWL11. Field Name: Wattenberg Field Number: 9075012. Ground Elevation: 4614 13. County: WELD

14. GPS Data:

Date of Measurement: 10/29/2012 PDOP Reading: 2.0 Instrument Operator's Name: Brian Rottinghaus15. If well is ☐ Directional ☒ Horizontal (highly deviated) **submit deviated drilling plan.**Footage at Top of Prod Zone: FNL/FSL 510 FNL 2374 FWL 470 FSL 2415 FWL FWL
Sec: 18 Twp: 5N Rng: 62W Sec: 18 Twp: 5N Rng: 62W16. Is location in a high density area? (Rule 603b)? ☐ Yes ☒ No17. Distance to the nearest building, public road, above ground utility or railroad: 462 ft18. Distance to nearest property line: 624 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 160 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		320	GWA

21. Mineral Ownership: ☒ Fee ☐ State ☐ Federal ☐ Indian Lease #: _____22. Surface Ownership: ☒ Fee ☐ State ☐ Federal ☐ Indian23. 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 ☐ No23b. 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):

5N-62W-18 Lots 1, 2, 3, 4, E/2W/2, SE/4 and containing lands in other sections

25. Distance to Nearest Mineral Lease Line: 275 ft

26. Total Acres in Lease: 9046

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	0	410	200	410	0
1ST	8+3/4	7	26.0	0	6,920	500	6,920	2,500
1ST LINER	6+1/8	4+1/2	11.6	6820	11,256	0	0	0

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

33. Comments Conductor casing will not be used. Operator requests an exception location per rule 318Aa; well will not be drilled in a legal drilling window. Waivers attached. Per rule 318Ae, the Operator requests the proposed spacing unit consisting of 320 acres, E/2W/2, W/2E/2 Sec 18 T5N R62W. Proposed spacing unit map and 30-day certificate is attached. There will be no additional disturbance to the pad.

34. Location ID: 429686

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: Randy Edelen

Title: Regulatory Specialist

Date: 1/11/2013

Email: REdelen@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: 2/21/2013

API NUMBER

05 123 36836 00

Permit Number: _____ Expiration Date: 2/20/2015

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.

- 1) Provide 48 hour notice prior to spud via electronic Form 42.
- 2) Provide cement coverage 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.

Operator must meet water well testing requirements per Rule 318A.

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
400348621	FORM 2 SUBMITTED
400348753	WELL LOCATION PLAT
400348756	DEVIATED DRILLING PLAN
400348836	DIRECTIONAL DATA
400368628	PROPOSED SPACING UNIT
400368631	EXCEPTION LOC WAIVERS
400368637	OTHER
400368639	PROPOSED SPACING UNIT
400368641	PROPOSED SPACING UNIT
400368644	PROPOSED SPACING UNIT
400368646	PROPOSED SPACING UNIT
400368648	PROPOSED SPACING UNIT

Total Attach: 12 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final review completed.	2/21/2013 10:31:43 AM
Engineer	No existing wells within 500' of proposed directional w/o zonal isolation.	1/28/2013 9:42:31 AM
Permit	Operator requested change of BHL to FSL, change to one objective formation and the distance to the nearest lease line.	1/17/2013 11:49:28 AM
Permit	Line #15 ssys FNL but should be FSL. Requested that the Objective formation be changed to a single formation such as Niobrara as indicated on the Deviated drilling plan. Requested a Exception Location Waiver letter. Requested a review of the distance to the nearest lease line.	1/17/2013 11:06:30 AM

Total: 4 comment(s)

BMP

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

Total: 0 comment(s)