

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:

400451493

Date Received:

07/23/2013

PluggingBond SuretyID

200120018

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: 89605. Address: 410 17TH STREET SUITE #1400City: DENVER State: CO Zip: 802026. Contact Name: Keith Caplan Phone: (720)440-6100 Fax: (720)279-2331Email: KCaplan@BonanzaCrk.com7. Well Name: State Seventy Holes Well Number: O-K-6HNB

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

9. Proposed Total Measured Depth: 11178

WELL LOCATION INFORMATION

10. QtrQtr: SESE Sec: 6 Twp: 4N Rng: 62W Meridian: 6Latitude: 40.335380 Longitude: -104.362990

Footage at Surface: 390 feet FNL/FSL 1135 feet FEL/FWL FEL

11. Field Name: Wattenberg Field Number: 9075012. Ground Elevation: 4530 13. County: WELD

14. GPS Data:

Date of Measurement: 02/20/2013 PDOP Reading: 1.2 Instrument Operator's Name: Wyatt Hall15. If well is ☐ Directional ☒ Horizontal (highly deviated) **submit deviated drilling plan.**

Footage at Top of Prod Zone: FNL/FSL 531 FSL 2378 FWL 470 FNL 2322 FWL 470
 Bottom Hole: FNL/FSL 470 FNL 2322 FWL 470
 Sec: 6 Twp: 4N Rng: 62W Sec: 6 Twp: 4N Rng: 62W

16. Is location in a high density area? (Rule 603b)? ☐ Yes ☒ No17. Distance to the nearest building, public road, above ground utility or railroad: 5280 ft18. Distance to nearest property line: 390 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 655 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):

25. Distance to Nearest Mineral Lease Line: 470 ft26. Total Acres in Lease: 633**DRILLING PLANS AND PROCEDURES**27. Is H2S anticipated? ☐ Yes ☒ No If Yes, attach contingency plan.28. Will salt sections be encountered during drilling? ☐ Yes ☒ No29. Will salt (>15,000 ppm TDS CL) or oil based muds be used during drilling? ☐ Yes ☒ No30. If questions 28 or 29 are yes, is this location in a sensitive area (Rule 901.e)? ☐ Yes ☐ No31. 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 | 410 | 200 | 410 | 0 |
| 1ST | 8+3/4 | 7+0/0 | 26 | 0 | 6889 | 500 | 6889 | 2500 |
| 1ST LINER | 6+1/8 | 4+1/2 | 11.6 | 6789 | 11178 | | | |

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

33. Comments Conductor casing will not be used on this well. Operator requests a GWA Wellbore spacing unit consisting of 320 acres, W2/E2 and E2/W2 Sec 6-4N-R62W. Bonanza is the sole owner of the proposed unit. Associated Form 2A (Doc 400393318) was approved earlier this year. This well is twinning well State Seventy Holes T-P-6HNB and State Seventy Holes 34-31-6HNB.

34. Location ID: 43300135. Is this application in a Comprehensive Drilling Plan ? ☐ Yes ☐ No36. 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. CaplanTitle: Sr. Regulatory SpecialistDate: 7/23/2013Email: 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: _____



Director of COGCC

Date: 9/8/2013**API NUMBER**

05 123 37928 00

Permit Number: _____

Expiration Date: 9/7/2015**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.

| COA Type | Description |
|-----------------|--|
| | 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. |

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 |
|--------------------|------------------------|
| 400451493 | FORM 2 SUBMITTED |
| 400452118 | PLAT |
| 400452121 | DEVIATED DRILLING PLAN |
| 400452123 | DIRECTIONAL DATA |
| 400453158 | OFFSET WELL EVALUATION |
| 400454271 | PROPOSED SPACING UNIT |

Total Attach: 6 Files

General Comments

| User Group | Comment | Comment Date |
|-------------------|---|--------------------------|
| Permit | Final review completed. No LGD or public comments. | 9/6/2013 11:13:39 AM |
| Permit | Requested bonding verification from State Land Board. | 8/8/2013 11:06:45 AM |
| Engineer | Evaluated any existing wells within 1500' of proposed directional. | 3/8/2013 8:20:27 AM |
| Permit | Operator made correction. This form has passed completeness. | 7/24/2013 11:09:17 AM |
| Permit | Returned to draft. Needs plugging bond number, not surface bond number. | 7/24/2013 9:22:35 AM |

Total: 5 comment(s)

Best Management Practices

| No | BMP/COA Type | Description |
|-----------|---------------------|--|
| 1 | Construction | Operator will comply with COGCC Policy for Bradenhead Monitoring During Hydraulic Fracturing Treatments in the Greater Wattenberg Area dated May 29, 2012. |

Total: 1 comment(s)