

LEASE INFORMATION

Using standard QtrQtr, Sec, Twp, Rng format, describe one entire mineral lease that will be produced by this well (Describe lease beneath surface location if produced. Attach separate description page or map if necessary.)

Sec 30-T5N-R62W: Lots 1-4, E/2, E/2W/2; containing 639.76 acres, more or less.

Total Acres in Described Lease: 640 Described Mineral Lease is: Fee State Federal Indian
 Federal or State Lease # OG 2145.12
 Distance from Completed Portion of Wellbore to Nearest Lease Line of described lease: 10 Feet

CULTURAL DISTANCE INFORMATION

Distance to nearest:

Building: 2096 Feet
 Building Unit: 5280 Feet
 High Occupancy Building Unit: 5280 Feet
 Designated Outside Activity Area: 5280 Feet
 Public Road: 5280 Feet
 Above Ground Utility: 347 Feet
 Railroad: 5280 Feet
 Property Line: 400 Feet

INSTRUCTIONS:

- All measurements shall be provided from center of the Proposed Well to nearest of each cultural feature as described in Rule 303.a.(5).
 - Enter 5280 for distance greater than 1 mile.
 - Building - nearest building of any type. If nearest Building is a Building Unit, enter same distance for both.
 - Building Unit, High Occupancy Building Unit, and Designated Outside Activity Area - as defined in 100-Series Rules.

DESIGNATED SETBACK LOCATION INFORMATION

Check all that apply. This location is within a: Buffer Zone
 Exception Zone
 Urban Mitigation Area

- Buffer Zone – as described in Rule 604.a.(2), within 1,000' of a Building Unit
 - Exception Zone - as described in Rule 604.a.(1), within 500' of a Building Unit.
 - Urban Mitigation Area - as defined in 100-Series Rules.

Pre-application Notifications (required if location is within 1,000 feet of a building unit):

Date of Rule 305.a.(1) Urban Mitigation Area Notification to Local Government: _____

Date of Rule 305.a.(2) Buffer Zone Notification to Building Unit Owners: _____

SPACING and UNIT INFORMATION

Distance from Completed Portion of Wellbore to Nearest Wellbore Permitted or Completed in the same formation: 617 Feet
 Distance from Completed Portion of Wellbore to Nearest Unit Boundary 1251 Feet (Enter 5280 for distance greater than 1 mile.)
 Federal or State Unit Name (if appl): _____ Unit Number: _____

SPACING & FORMATIONS COMMENTS

GWA Spacing Unit: Sec 30-T5N-R62W, E/2E/2 & Sec 29-T5N-R62W, W/2W/2; Containing 320.00 acres, more or less

OBJECTIVE FORMATIONS

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

DRILLING PROGRAM

Proposed Total Measured Depth: 11013 Feet

Distance to nearest permitted or existing wellbore penetrating objective formation: 617 Feet (Including plugged wells)

Will a closed-loop drilling system be used? Yes

Is H₂S gas reasonably expected to be encountered during drilling operations at concentrations greater than or equal to 100 ppm? No (If Yes, attach an H₂S Drilling Operations Plan)

Will salt sections be encountered during drilling? No

Will salt based (>15,000 ppm Cl) drilling fluids be used? No

Will oil based drilling fluids be used? No

BOP Equipment Type: Annular Preventor Double Ram Rotating Head None

GROUNDWATER BASELINE SAMPLING AND MONITORING AND WATER WELL SAMPLING

Water well sampling required per Rule 318A

DRILLING WASTE MANAGEMENT PROGRAM

Drilling Fluids Disposal: OFFSITE Drilling Fluids Disposal Methods: Recycle/reuse

Cuttings Disposal: OFFSITE Cuttings Disposal Method: Beneficial reuse

Other Disposal Description:

Beneficial reuse or land application plan submitted? Yes

Reuse Facility ID: 427606 or Document Number: _____

CASING PROGRAM

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	26	0	6865	500	6865	2500
1ST LINER	6+1/8	4+1/2	11.6	6765	11013			

Conductor Casing is NOT planned

DESIGNATED SETBACK LOCATION EXCEPTIONS

Check all that apply:

- Rule 604.a.(1)A. Exception Zone (within 500' of Building Unit)
- Rule 604.b.(1)A. Exception Location (existing or approved Oil & Gas Location now within a Designated Setback as a result of Rule 604.a.)
- Rule 604.b.(1)B. Exception Location (existing or approved Oil & Gas Location is within a Designated Setback due to Building Unit construction after Location approval)
- Rule 604.b.(2) Exception Location (SUA or site-specific development plan executed on or before August 1, 2013)
- Rule 604.b.(3) Exception Location (Building Units constructed after August 1, 2013 within setback per an SUA or site-specific development plan)

GREATER WATTENBERG AREA LOCATION EXCEPTIONS

Check all that apply:

- Rule 318A.a. Exception Location (GWA Windows).
- Rule 318A.c. Exception Location (GWA Twinning).

RULE 502.b VARIANCE REQUEST

- Rule 502.b. Variance Request from COGCC Rule or Spacing Order Number _____

OTHER LOCATION EXCEPTIONS

Check all that apply:

- Rule 318.c. Exception Location from Rule or Spacing Order Number _____
- Rule 603.a.(2) Exception Location (Property Line Setback).

ALL exceptions and variances require attached Request Letter(s). Refer to applicable rule for additional required attachments (e.g. waivers, certifications, SUAs).

OPERATOR COMMENTS AND SUBMITTAL

Comments Operator requests a GWA wellbore spacing unit consisting of: Sec 30-T5N-R62W, E/2E/2 & Sec 29-T5N-R62W, W/2W/2; Containing 320.00 acres, more or less Operator self-certification is attached.

There are no existing Niobrara or Codell wells within 617' of proposed lateral.

This well SHL located outside of the associated Wattenberg Window and is in a line of wells twinning State Antelope 41-44-30HNB. Surface Owner signed Exception Location Waiver Attached. Well position is listed as State Antelope A5-30 on the signed waiver.

This application is in a Comprehensive Drilling Plan _____ CDP #: _____

Location ID: 433004

Is this application being submitted with an Oil and Gas Location Assessment application? 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. Regulatory Specialist Date: 11/6/2013 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: _____

Expiration Date: _____

API NUMBER

05

Conditions Of Approval

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**

COA Type	Description

Best Management Practices

No BMP/COA Type **Description**

No BMP/COA Type	Description

Attachment Check List

Att Doc Num	Name
400507945	FORM 2 SUBMITTED
400507975	OffsetWellEvaluations Data
400507977	EXCEPTION LOC WAIVERS
400507978	WELL LOCATION PLAT
400507979	DEVIATED DRILLING PLAN
400507980	DIRECTIONAL DATA
400509075	EXCEPTION LOC REQUEST
400509146	PROPOSED SPACING UNIT

Total Attach: 8 Files

General Comments

User Group	Comment	Comment Date
Permit	Returned to draft: 1) Correct dist. to unit boundary.	11/7/2013 2:48:43 PM
Permit	Returned to draft: 1) Groundwater sampling rule incorrect. 2) Correct distance to min. lease. 3) Correct dist. to unit boundary. 4) Add lease #. 5) Attach exc. loc. req. ltr. for 318A.a and 318A.c.	11/7/2013 9:08:54 AM

Total: 2 comment(s)