

State of Colorado
Oil and Gas Conservation Commission

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



DE	ET	OE	ES
Document Number: 401101749			
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SUNDRY NOTICE

Submit a signed original. This form is to be used for general, technical and environmental sundry information. For proposed or completed operations, describe in full in Comments or provide as an attachment. Identify Well by API Number; identify Oil and Gas Location by Location ID Number; identify other Facility by Facility ID Number.

OGCC Operator Number: 8960 Contact Name Julie L. Vigil

Name of Operator: BONANZA CREEK ENERGY OPERATING COMPANY LLC Phone: (303) 803-1718

Address: 410 17TH STREET SUITE #1400 Fax: (720) 279-2331

City: DENVER State: CO Zip: 80202 Email: jvigil@bonanzacrk.com

Complete the Attachment
Checklist

OP OGCC

API Number : 05- 123 41614 00 OGCC Facility ID Number: 442023

Well/Facility Name: State Seventy Holes Well/Facility Number: J-18

Location QtrQtr: SESW Section: 18 Township: 4N Range: 62W Meridian: 6

County: WELD Field Name: WATTENBERG

Federal, Indian or State Lease Number: OG 1026.9

Survey Plat		
Directional Survey		
Srvc Eqpmt Diagram		
Technical Info Page		
Other		

CHANGE OF LOCATION OR AS BUILT GPS REPORT

- ☐ Change of Location * ☐ As-Built GPS Location Report ☐ As-Built GPS Location Report with Survey

* Well location change requires new plat. A substantive surface location change may require new Form 2A.

SURFACE LOCATION GPS DATA Data must be provided for Change of Surface Location and As Built Reports.

Latitude PDOP Reading Date of Measurement
Longitude GPS Instrument Operator's Name

LOCATION CHANGE (all measurements in Feet)

Well will be: (Vertical, Directional, Horizontal)

Change of **Surface** Footage **From** Exterior Section Lines:

Change of **Surface** Footage **To** Exterior Section Lines:

Current **Surface** Location **From** QtrQtr SESW Sec 18

New **Surface** Location **To** QtrQtr Sec

Change of **Top of Productive Zone** Footage **From** Exterior Section Lines:

Change of **Top of Productive Zone** Footage **To** Exterior Section Lines:

Current **Top of Productive Zone** Location **From** Sec

New **Top of Productive Zone** Location **To** Sec

Change of **Bottomhole** Footage **From** Exterior Section Lines:

Change of **Bottomhole** Footage **To** Exterior Section Lines:

Current **Bottomhole** Location Sec Twp

New **Bottomhole** Location Sec Twp

Is location in High Density Area?

Distance, in feet, to nearest building , public road: , above ground utility: , railroad: ,
property line: , lease line: , well in same formation:

Ground Elevation feet Surface owner consultation date

FNL/FSL		FEL/FWL	
610	FSL	1455	FWL
<u> </u>	<u> </u>	<u> </u>	<u> </u>
Twp <u>4N</u>	Range <u>62W</u>	Meridian <u>6</u>	
Twp <u> </u>	Range <u> </u>	Meridian <u> </u>	
<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>	<u> </u>
Twp <u> </u>	Range <u> </u>		
Twp <u> </u>	Range <u> </u>		
<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>	<u> </u>
Range <u> </u>		** attach deviated drilling plan	
Range <u> </u>			

CHANGE OR ADD OBJECTIVE FORMATION AND/OR SPACING UNIT

<u>Objective Formation</u>	<u>Formation Code</u>	<u>Spacing Order Number</u>	<u>Unit Acreage</u>	<u>Unit Configuration</u>

OTHER CHANGES

☐ **REMOVE FROM SURFACE BOND** Signed surface use agreement is a required attachment

☐ **CHANGE OF WELL, FACILITY OR OIL & GAS LOCATION NAME OR NUMBER**

From: Name STATE SEVENTY HOLES Number J-18 Effective Date: _____

To: Name _____ Number _____

☐ **ABANDON PERMIT: Permit can only be abandoned if the permitted operation has NOT been conducted. Field inspection will be conducted to verify site status.**

☐ WELL: Abandon Application for Permit-to-Drill (Form2) – Well API Number _____ has not been drilled.

☐ PIT: Abandon Earthen Pit Permit (Form 15) – COGCC Pit Facility ID Number _____ has not been constructed (Permitted and constructed pit requires closure per Rule 905)

☐ CENTRALIZED E&P WASTE MANAGEMENT FACILITY: Abandon Centralized E&P Waste Management Facility Permit (Form 28) – Facility ID Number _____ has not been constructed (Constructed facility requires closure per Rule 908)

OIL & GAS LOCATION ID Number: _____

☐ Abandon Oil & Gas Location Assessment (Form 2A) – Location has not been constructed and site will not be used in the future.

☐ Keep Oil & Gas Location Assessment (Form 2A) active until expiration date. This site will be used in the future.

Surface disturbance from Oil and Gas Operations must be reclaimed per Rule 1003 and Rule 1004.

☐ **REQUEST FOR CONFIDENTIAL STATUS**

☐ **DIGITAL WELL LOG UPLOAD**

☐ **DOCUMENTS SUBMITTED** Purpose of Submission: _____

RECLAMATION**INTERIM RECLAMATION**

☐ Interim Reclamation will commence approximately _____

Per Rule 1003.e.(3) operator shall submit Sundry Notice reporting interim reclamation is complete and site is ready for inspection when vegetation reaches 80% coverage.

☐ Interim reclamation complete, site ready for inspection.

Per Rule 1003.e(3) describe interim reclamation procedure in Comments below or provide as an attachment and attach required location photographs.

Field inspection will be conducted to document Rule 1003.e. compliance

FINAL RECLAMATION

☐ Final Reclamation will commence approximately _____

Per Rule 1004.c.(4) operator shall submit Sundry Notice reporting final reclamation is complete and site is ready for inspection when vegetation reaches 80% coverage.

☐ Final reclamation complete, site ready for inspection. Per Rule 1004.c(4) describe final reclamation procedure in Comments below or provide as an attachment.

Field inspection will be conducted to document Rule 1004.c. compliance

Comments:

ENGINEERING AND ENVIRONMENTAL WORK

☐ NOTICE OF CONTINUED TEMPORARILY ABANDONED STATUS

Indicate why the well is temporarily abandoned and describe future plans for utilization in the COMMENTS box below or provide as an attachment, as required by Rule 319.b.(3).

Date well temporarily abandoned _____ Has Production Equipment been removed from site? _____

Mechanical Integrity Test (MIT) required if shut in longer than 2 years. Date of last MIT _____

☐ SPUD DATE: _____

TECHNICAL ENGINEERING AND ENVIRONMENTAL WORK

Details of work must be described in full in the COMMENTS below or provided as an attachment.

☒ NOTICE OF INTENT Approximate Start Date 09/26/2016

☐ REPORT OF WORK DONE Date Work Completed _____

- | | | |
|--|---|--|
| <input type="checkbox"/> Intent to Recomplete (Form 2 also required) | <input checked="" type="checkbox"/> Request to Vent or Flare | <input type="checkbox"/> E&P Waste Mangement Plan |
| <input type="checkbox"/> Change Drilling Plan | <input type="checkbox"/> Repair Well | <input type="checkbox"/> Beneficial Reuse of E&P Waste |
| <input type="checkbox"/> Gross Interval Change | <input type="checkbox"/> Rule 502 variance requested. Must provide detailed info regarding request. | |
| <input type="checkbox"/> Other _____ | <input type="checkbox"/> Status Update/Change of Remediation Plans for Spills and Releases | |

COMMENTS:

Bonanza respectfully requests approval to flare the subject well's gas production due to a lack of infrastructure. The subject well is located approximately 3 miles from the nearest DCP connection. Bonanza estimates it would cost approximately \$850k in capital to connect this well if we could acquire the ROW. Bonanza looked at other options and given the anticipated variable flow of the well and limited gas quantities, it is not possible to justify power generation onsite or gas processing/natural gas liquids removal. Bonanza needs to drill this well before the lease expires November 18, 2016. This is justifiable economically because the cost to drill and complete the well would be, in our estimation, similar to what we might have to pay to purchase the lease again in a public auction at the Colorado State Land Board. In drilling the well we hold the lease indefinitely, if we allow the lease to go to competitive bid there is no guarantee we are the successful bidder for the lease and if we are, we only own it for a period of 5 additional years. Also, the terms of Colorado State Land Board leases are such that the well must be producing within 60 days of the expiration date, making it not only uneconomic to build and hookup a pipeline, but also time prohibitive. The estimated volume to be flared in 2016 is 12 MMscf. Bonanza has complied with all site specific permitting required by the Colorado Department of Public Health and Environment, Air Pollution Control Commission (CDPHE) regulations as set forth in 805. b. (1) and will use enclosed combustion devices. A representative gas analysis for this well is attached from a nearby vertical well in Section 5.

CASING AND CEMENTING CHANGES

Casing Type	Size	Of	/	Hole	Size	Of	/	Casing	Wt/Ft	Csg/LinTop	Setting Depth	Sacks of Cement	Cement Bottom	Cement Top

H2S REPORTING

Data Fields in this section are intended to document Sample and Location Data associated with the collection of a Gas Sample that is submitted for Laboratory Analysis.

Gas Analysis Report must be attached.

H2S Concentration: _____ in ppm (parts per million) Date of Measurement or Sample Collection _____

Description of Sample Point:

Absolute Open Flow Potential _____ in CFPD (cubic feet per day)

Description of Release Potential and Duration (If flow is not open to the atmosphere, identify the duration in which the container or pipeline would likely be opened for servicing operations.):

Distance to nearest occupied residence, school, church, park, school bus stop, place of business, or other areas where the public could reasonably be expected to frequent: _____

Distance to nearest Federal, State, County, or municipal road or highway owned and principally maintained for public use: _____

COMMENTS:

Best Management Practices

<u>No</u>		<u>BMP/COA Type</u>	<u>Description</u>

Operator Comments:

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I hereby certify all statements made in this form are, to the best of my knowledge, true, correct, and complete.

Signed: _____ Print Name: Julie L. Vigil
Title: Sr. Regulatory Specialist Email: jvigil@bonanzacrk.com Date: 8/31/2016

Based on the information provided herein, this Sundry Notice (Form 4) complies with COGCC Rules and applicable orders and is hereby approved.

COGCC Approved: BURN, DIANA Date: 11/9/2016

CONDITIONS OF APPROVAL, IF ANY:**COA Type****Description**

	Operator will submit gas analysis for this well, including H2S once it is available. (Sundry Notice, Form 4)
	1) Flaring of natural gas shall comply with COGCC Rule 912. 2) The flaring of this well will be allowed until November 11, 2017. Submit requests to continue to flare prior to that date to COGCC on Form 4 (Sundry Notice), which discusses timing to connect to sales line, plans to develop infrastructure, and justification for continued venting/flaring. Provide gas analysis including H2S with each Sundry Notice. 3) Report flaring volumes on Form 7, Operator's Monthly Report of Operations. 4) The operator is required to obtain and maintain any required air permits from CDPHE. 5) The expectation for permanent flares controlling separators will be an enclosed combustion device with a 98% design destruction efficiency for hydrocarbons. 6) Notify the local emergency dispatch or the local governmental designee of natural gas flaring.

General Comments**User Group****Comment****Comment Date**

Engineer	operator clarified annual production for first year is 27 MMscf	11/09/2016
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Total: 1 comment(s)

Attachment Check List**Att Doc Num****Name**

401101749	SUNDRY NOTICE APPROVED-VENT_FLARE
401101759	GAS ANALYSIS REPORT
401146497	FORM 4 SUBMITTED

Total Attach: 3 Files