

FORM
2

Rev
12/05

State of Colorado
Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80205 Phone: (303) 894-2100 Fax: (303) 894-2109



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Document Number:

400097669

Plugging Bond Surety

20070004

APPLICATION FOR PERMIT TO:

1. ☒ Drill, ☐ Deepen, ☐ Re-enter, ☐ Recomplete and Operate

2. TYPE OF WELL

OIL ☒ GAS ☐ COALBED ☐ OTHER _____
SINGLE ZONE ☒ MULTIPLE ZONE ☐ COMMINGLE ZONE ☐

Refiling ☐

Sidetrack ☐

3. Name of Operator: BONANZA CREEK ENERGY OPERATING COMPANY LLC

4. COGCC Operator Number: 8960

5. Address: P O BOX 21974

City: BAKERSFIELD State: CA Zip: 93390

6. Contact Name: Keith Caplan ext 203 Phone: (720)279-2330 Fax: (720)279-2331

Email: KCaplan@bonanzacrk.com

7. Well Name: Antelope Well Number: I-31

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

9. Proposed Total Measured Depth: 6850

WELL LOCATION INFORMATION

10. QtrQtr: NESW Sec: 31 Twp: 5N Rng: 62W Meridian: 6

Latitude: 40.352700 Longitude: -104.370800

Footage at Surface: 1320 feet FNL/FSL 1320 feet FEL/FWL FWL

11. Field Name: Wattenberg Field Number: 90750

12. Ground Elevation: 4591 13. County: WELD

14. GPS Data:

Date of Measurement: 09/16/2010 PDOP Reading: 2.1 Instrument Operator's Name: Dan Griggs

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

Footage at Top of Prod Zone: FNL/FSL _____ FEL/FWL _____ Bottom Hole: FNL/FSL _____ FEL/FWL _____

Sec: _____ Twp: _____ Rng: _____ Sec: _____ Twp: _____ Rng: _____

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: 1320 ft

18. Distance to nearest property line: 1320 ft 19. Distance to nearest well permitted/completed in the same formation: 5280 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-Codell	NB-CD		160	SW/4

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#: 20070001

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, R62W: Sec. 3: Lot 2, S/2 NW/4; Sec. 5: Lots 1 & 2, S/2 N/2, S/2; Sec. 17: N/2 N/2, S/2 NE/4; Sec. 18: N/2 of Lot 1, NE/4 NW/4, N/2 NE/4, (N/2 N/2); T4N, R63W: Sec. 1: Lots 1 & 2, S/2 N/2, S/2; Sec. 2: Lots 1 & 2, S/2 N/2, NE/4 SW/4, SE/4; Sec. 12: All; T5N, R62W: Sec. 3: Lot 2, SW/4 NE/4, W/2 SE/4; Sec. 15: W/2 E/2, W/2; Sec. 17: All; Sec. 18: SE/4; Sec. 19: Lots 3 & 4, E/2 SW/4, E/2; Sec. 20: W/2; Sec. 21: All; Sec. 29: All; Sec. 31: Lots 1, 2, 3, 4, E/2 W/2, E/2 (All); Sec. 33: N/2; T5N, R63W: Sec. 34: SE/4 NE/4, SE/4; Sec. 35: S/2; Sec. 36: SW/4 SW/4.

25. Distance to Nearest Mineral Lease Line: 1186 ft 26. Total Acres in Lease: 8115

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 27 or 28 are yes, is this location in a sensitive area (Rule 903)? ☐ Yes ☐ No If 28, 29, or 30 are "Yes" a pit permit may be required.

31. Mud disposal: ☒ Offsite ☐ Onsite

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	12+1/4	8+5/8	24		400	260	400	0
1ST	7+7/8	4+1/2	11.6		6,850	247	6,850	5,800

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

33. Comments Conductor casing will not be used on this well.

34. Location ID: _____

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 Caplan

Title: Sr. Operations Technician Date: 12/22/2010 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: David S. Neslin Director of COGCC Date: 1/20/2011

API NUMBER

05 123 32854 00

Permit Number: _____ Expiration Date: 1/19/2013

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 24 hr notice of spud to Bo Brown at 970-330-6085 or email at bo.brown@state.co.us.
- 2) Set surface casing per Rule 317d, cement to surface. Setting surface casing less than the approved depth is a permit violation unless prior written approval is obtained from the COGCC.
- 3) If completed, provide cement coverage from TD to a minimum of 200' above Niobrara. Verify coverage with cement bond log.
- 4) If dry hole, 40 sks cement 50' above Niobrara top, 50 sks cement ½ out, ½ in surface casing, 10 sks cement top of surface casing, cut 4' below GL, weld on plate, 5 sks cement in rat hole & 5 sks cement in mouse hole. Restore surface location.

Attachment Check List

Att Doc Num	Name
400097669	FORM 2 SUBMITTED
400110872	PLAT

Total Attach: 2 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Changed to bonding on only to protect surface owners that do not have mineral interest. SUA in the works.	12/28/2010 8:49:05 AM
Permit	The surface owner is the mineral is checked long with bonding on. This is different than the 2A.	12/27/2010 9:03:24 AM

Total: 2 comment(s)

BMP

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

Total: 0 comment(s)