

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

STATE OF
COLORADO
OIL & GAS

DEETOEES

Document Number:
400143101
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: State Antelope Well Number: 11-13HZ
8. Unit Name (if appl): Unit Number:
9. Proposed Total Measured Depth: 10098

WELL LOCATION INFORMATION
10. QtrQtr: NWNW Sec: 13 Twp: 5N Rng: 62W Meridian: 6
Latitude: 40.406710 Longitude: -104.279094
Footage at Surface: 460 feet FNL/FSL FNL 460 feet FEL/FWL FEL
11. Field Name: Wattenberg Field Number: 90750
12. Ground Elevation: 4571 13. County: WELD

14. GPS Data:
Date of Measurement: 03/09/2011 PDOP Reading: 1.7 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
477 FNL 1261 FWL 660 FNL 460 FEL
Sec: 13 Twp: 5N Rng: 62W Sec: 13 Twp: 5N Rng: 62W

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: 5280 ft
18. Distance to nearest property line: 460 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 | NBRR | 407-380 | 640 | All |

IMPORTANT: SOME DATA FIELDS HAVE BEEN MODIFIED.

21. Mineral Ownership: ☐ Fee ☒ State ☐ Federal ☐ Indian Lease #: 8043.4

22. Surface Ownership: ☐ Fee ☒ State ☐ Federal ☐ Indian

23. 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 ☐ No

23b. If 23 is No ☐ Surface Owners Agreement Attached or ☐ \$25,000 Blanket Surface Bon ☐ \$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):
T5N-R62W, Section 13: All

25. Distance to Nearest Mineral Lease Line: 460 ft 26. Total Acres in Lease: 640

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

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 | 9+5/8 | 36# | 0 | 410 | 180 | 410 | 0 |
| 1ST | 8+3/4 | 7+0/0 | 26# | 0 | 6,564 | 845 | 6,564 | 0 |
| 1ST LINER | 6+1/8 | 4+1/2 | 11.6# | 0 | 10,098 | | | |

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 Tech Date: 3/20/2011 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: 4/11/2011

API NUMBER

05 123 33321 00

Permit Number: _____ Expiration Date: 4/10/2013

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 |
|-------------|------------------------|
| 2111326 | SURFACE CASING CHECK |
| 2530389 | EXCEPTION LOC REQUEST |
| 2530390 | EXCEPTION LOC WAIVERS |
| 2537294 | PLAT |
| 2537295 | DEVIATED DRILLING PLAN |
| 400143101 | FORM 2 SUBMITTED |
| 400143268 | OIL & GAS LEASE |

Total Attach: 7 Files

General Comments

| User Group | Comment | Comment Date |
|------------|---|-------------------------|
| Permit | No pilot will be drilled per Keith Caplan | 4/11/2011 1:43:27 PM |
| Permit | SLB verified compliance | 4/11/2011 1:35:30 PM |
| Permit | On hold waiting for verification of SLB compliance. | 4/4/2011 1:48:55 PM |
| Permit | On hold this well has to be permitted as a horizontal not a vertical well. | 3/22/2011 2:13:25 PM |
| Permit | On hold-This well appears to be the pilot hole of a pilot/lateral drilling program. Waiting for the lateral or clarification. | 3/22/2011 6:23:07 AM |

Total: 5 comment(s)

BMP

| Type | Comment |
|------|---------|
| | |

Total: 0 comment(s)