

|   |   |   |                      |
|---|---|---|----------------------|
| <b>FORM</b><br><b>2</b><br>Rev<br>12/05 | State of Colorado<br><b>Oil and Gas Conservation Commission</b><br>1120 Lincoln Street, Suite 801, Denver, Colorado 80205 Phone: (303) 894-2100 Fax: (303) 894-2109 |  | DE<br>ET<br>OE<br>ES |
|---|---|---|----------------------|

**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

Document Number:  
 400143101  
 Plugging Bond Surety  
 20070004

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 477 FNL    1261 FWL    FEL/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 **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        | 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:** \_\_\_\_\_

**IMPORTANT: SOME DATA FIELDS HAVE BEEN MODIFIED.**

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 1/2 out, 1/2 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<br>1:43:27 PM |
| Permit     | SLB verified compliance   | 4/11/2011<br>1:35:30 PM |
| Permit     | On hold waiting for verification of SLB compliance.   | 4/4/2011 1:48:55<br>PM  |
| Permit     | On hold this well has to be permitted as a horizontal not a vertical well.  | 3/22/2011<br>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<br>6:23:07 AM |

Total: 5 comment(s)

### **BMP**

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

Total: 0 comment(s)