

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		DE ET OE ES
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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:
 400133453
 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: 11-2HZ

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

9. Proposed Total Measured Depth: 11080

WELL LOCATION INFORMATION

10. QtrQtr: Lot 4 Sec: 2 Twp: 5N Rng: 62W Meridian: 6
 Latitude: 40.435510 Longitude: -104.298380

Footage at Surface: 460 feet FNL 460 feet FWL

11. Field Name: Wattenberg Field Number: 90750
 12. Ground Elevation: 4655 13. County: WELD

14. GPS Data:
 Date of Measurement: 03/06/2011 PDOP Reading: 2.0 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
1115 FNL 1447 FWL 1980 FSL 460 FEL
 Sec: 2 Twp: 5N Rng: 62W Sec: 2 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: 347 ft
 18. Distance to nearest property line: 460 ft 19. Distance to nearest well permitted/completed in the same formation: 1120 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		644	All

IMPORTANT: SOME DATA FIELDS HAVE BEEN MODIFIED.

21. Mineral Ownership: Fee State Federal Indian Lease #: 8039.4

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- Sec. 2: All

25. Distance to Nearest Mineral Lease Line: 460 ft 26. Total Acres in Lease: 644

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	6,900	888	6,900	0
1ST LINER	6+1/8	4+1/2	11.6	0	11,080	0		

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: 3/17/2011 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. Noshin Director of COGCC Date: 4/17/2011

API NUMBER
05 123 33353 00

Permit Number: _____ Expiration Date: 4/16/2013

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 MIRU 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 the intermediate casing shoe to a minimum of 200' above Niobrara. Verify cement with a cement bond log.
- 4) If hole is abandoned with production liner, then set 40 sks cement in casing at the intermediate casing shoe, cut off casing above top of cement.
- 5) If dry hole without production liner, then set 40 sks cement in open hole 50' above Niobrara top.
- 6) With either 4 or 5 above, set 50 sks cement ½ out, ½ in surface casing, 10 sks cement top of surface casing, cut 4' below ground level, weld on plate, 5 sks cement in rat hole & 5 sks cement in mouse hole.
- 7) Comply with Rule 321. Run and submit Directional Survey from TD to base of surface casing. Ensure that the wellbore complies with setback requirements in commission orders or rules prior to producing the well.

Attachment Check List

Att Doc Num	Name
2530387	EXCEPTION LOC REQUEST
2530388	EXCEPTION LOC WAIVERS
400133453	FORM 2 SUBMITTED
400141577	DEVIATED DRILLING PLAN
400143639	PLAT
400144278	OIL & GAS LEASE

Total Attach: 6 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	SLB says Bonanza in compliance.	4/11/2011 2:00:04 PM
Permit	----=HOLDS OFF	3/30/2011 10:38:27 AM
Permit	On hold-Notified Tim Kelly that well is on state land.	3/29/2011 4:09:06 PM
Permit	Updated with location exception request and waiver	3/28/2011 3:33:38 PM
Permit	----ON HOLD--Waiting for expection requests/waivers for wellhead outside of 400' window.---Reviewed	3/22/2011 11:00:28 AM
Permit	---Removed 318A from objective formation spacing order number. Wells unit acreage/configuration per rule 318Aa4(C).	3/22/2011 10:36:17 AM
Permit	Opr corrected. sf	3/21/2011 10:39:39 AM
Permit	Back to draft for lease to be redacted. sf	3/18/2011 10:34:56 AM

Total: 8 comment(s)

BMP

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

Total: 0 comment(s)