


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		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 25%;">DE</td> <td style="width: 25%;">ET</td> <td style="width: 25%;">OE</td> <td style="width: 25%;">ES</td> </tr> </table>	DE	ET	OE	ES
DE	ET	OE	ES				
APPLICATION FOR PERMIT TO:			Document Number: 400148839 Plugging Bond Surety 20070004				
1. <input checked="" type="checkbox"/> Drill, <input type="checkbox"/> Deepen, <input type="checkbox"/> Re-enter, <input type="checkbox"/> Recomplete and Operate							
2. TYPE OF WELL OIL <input checked="" type="checkbox"/> GAS <input type="checkbox"/> COALBED <input type="checkbox"/> OTHER _____ SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/> COMMINGLE ZONE <input type="checkbox"/>		Refiling <input type="checkbox"/> Sidetrack <input type="checkbox"/>					
3. Name of Operator: <u>BONANZA CREEK ENERGY OPERATING COMPANY LLC</u>		4. COGCC Operator Number: <u>8960</u>					
5. Address: <u>P O BOX 21974</u> City: <u>BAKERSFIELD</u> State: <u>CA</u> Zip: <u>93390</u>							
6. Contact Name: <u>Keith Caplan</u> Phone: <u>(720)440-6112</u> Fax: <u>(720)279-2331</u> Email: <u>KCaplan@bonanzacrk.com</u>							
7. Well Name: <u>State Antelope</u>		Well Number: <u>31-11HZ</u>					
8. Unit Name (if appl): _____		Unit Number: _____					
9. Proposed Total Measured Depth: <u>10980</u>							
WELL LOCATION INFORMATION							
10. QtrQtr: <u>NWNE</u> Sec: <u>11</u> Twp: <u>5N</u> Rng: <u>62W</u> Meridian: <u>6</u> Latitude: <u>40.421810</u> Longitude: <u>-104.289630</u>							
Footage at Surface: <u>200</u> feet FNL/FSL <u>FNL</u> 2488 feet FEL/FWL <u>FEL</u>							
11. Field Name: <u>Wattenberg</u>		Field Number: <u>90750</u>					
12. Ground Elevation: <u>4603</u>		13. County: <u>WELD</u>					
14. GPS Data: Date of Measurement: <u>03/20/2011</u> PDOP Reading: <u>2.2</u> Instrument Operator's Name: <u>Dan Griggs</u>							
15. If well is <input type="checkbox"/> Directional <input checked="" type="checkbox"/> Horizontal (highly deviated) submit deviated drilling plan. Footage at Top of Prod Zone: FNL/FSL FEL/FWL Bottom Hole: FNL/FSL FEL/FWL <u>640</u> <u>FNL</u> <u>2295</u> <u>FEL</u> <u>460</u> <u>FSL</u> <u>460</u> <u>FEL</u> Sec: <u>11</u> Twp: <u>5N</u> Rng: <u>62W</u> Sec: <u>11</u> Twp: <u>5N</u> Rng: <u>62W</u>							
16. Is location in a high density area? (Rule 603b)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No							
17. Distance to the nearest building, public road, above ground utility or railroad: <u>5280</u> ft							
18. Distance to nearest property line: <u>200</u> ft 19. Distance to nearest well permitted/completed in the same formation: <u>2800</u> ft							
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		280	E/2 less SWSE			

IMPORTANT: SOME DATA FIELDS HAVE BEEN MODIFIED.

21. Mineral Ownership: ☐ Fee ☒ State ☐ Federal ☐ Indian Lease #: 8042.4

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. 11: NE/4, W/2 SW/4, N/2 SE/4, SE/4 SE/4

25. Distance to Nearest Mineral Lease Line: 460 ft 26. Total Acres in Lease: 360

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	6,433	830	6,433	0
1ST LINER	6+1/8	4+1/2	11.6#	0	10,980	0		

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

33. Comments Conductor casing will not be used on this well. Proposed spacing unit is the NE/4, N/2SE4, and the SESE. Bonanza Creek requests approval of Rule 318Aa exception location: Wellhead is to be located outside of a GWA drilling window. Waiver attached.

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: 4/4/2011 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: 5/5/2011

API NUMBER

05 123 33487 00

Permit Number: _____ Expiration Date: 5/4/2013

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 hour notice of MIRU to Bo Brown via e-mail at bo.brown@state.co.us.
- 2) Provide cement coverage from TD to a minimum of 200' above Niobrara. Verify coverage with cement bond log.
- 3) 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.
- 4) If dry hole, set 40 sks cement 50' above Niobrara top, 50 sks cement straddling surface casing shoe, 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. If 7" casing is in place and cemented to surface the bottom 2 plugs can be 30 sacks each. If cement is not all the way to surface ensure top 10 sack plug is split between annulus and casing. Turn in Forms 5 and 6.

Attachment Check List

Att Doc Num	Name
2530483	EXCEPTION LOC REQUEST
2530484	EXCEPTION LOC WAIVERS
400148839	FORM 2 SUBMITTED
400149583	DEVIATED DRILLING PLAN
400149585	PLAT
400149588	OIL & GAS LEASE

Total Attach: 6 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Updated with surface waiver	4/21/2011 1:57:36 PM
Permit	On hold waiting on surface waivers	4/13/2011 5:55:45 AM
Permit	Updated with new spacing unit.	4/11/2011 1:52:51 PM
Permit	In compliance with SLB.	4/11/2011 1:49:18 PM
Permit	On hold waiting on SLB verification that they are in complainece.	4/5/2011 5:54:35 AM
Permit	On hold waiting for correct spacing order.(407-380 does not cover section 11)	4/5/2011 5:41:02 AM
Permit	Back to draft. Attachments lost during server crash on 4/1/11. sf	4/4/2011 1:04:26 PM

Total: 7 comment(s)

BMP

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

Total: 0 comment(s)