

FORM
2

Rev
12/05

State of Colorado
Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80203 Phone: (303) 894-2100 Fax: (303) 894-2109



Document Number:

400277127

Date Received:

05/01/2012

PluggingBond SuretyID

20120018

APPLICATION FOR PERMIT TO:

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

2. TYPE OF WELL

OIL GAS COALBED OTHER _____
SINGLE ZONE MULTIPLE COMMINGLE

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 Phone: (720)440-6112 Fax: (720)279-2331

Email: KCaplan@bonanzacr.com

7. Well Name: Seventy Holes Well Number: N-5

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

9. Proposed Total Measured Depth: 6655

WELL LOCATION INFORMATION

10. QtrQtr: SESW Sec: 5 Twp: 4N Rng: 62W Meridian: 6

Latitude: 40.336000 Longitude: -104.351620

Footage at Surface: 661 feet FSL 2045 feet FWL

11. Field Name: Wattenberg Field Number: 90750

12. Ground Elevation: 4533 13. County: WELD

14. GPS Data:

Date of Measurement: 04/05/2012 PDOP Reading: 1.2 Instrument Operator's Name: Wyatt Hall

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

Footage at Top of Prod Zone: FNL/FSL 1300 FSL 2590 FWL _____ Bottom Hole: FNL/FSL 1300 FSL 2590 FWL _____
Sec: 5 Twp: 4N Rng: 62W Sec: 5 Twp: 4N 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: 661 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 933 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	GWA

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#: _____

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: Section 5: ALL

25. Distance to Nearest Mineral Lease Line: 1300 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	8+5/8	24	0	410	170	410	0
1ST	7+7/8	4+1/2	11.6	0	6,655	154	6,655	5,805

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

33. Comments Conductor casing will not be used on this well. GWA wellbore spacing unit = E/2SW/4 and W/2SE/4 Section 5-T4N-R62W.

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. Ops. Tech Date: 5/1/2012 Email: KCaplan@bonanzacr.com

Operator must have a valid water right or permit allowing for industrial use or purchased water from a seller that has a valid water right or permit allowing for industrial use, otherwise an application for a change in type of use is required under Colorado law. Operator must also use the water in the location set forth in the water right decree or well permit, otherwise an application for a change in place of use is required under Colorado law. Section 37-92-103(5), C.R.S. (2011).

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:  Director of COGCC Date: 5/25/2012

API NUMBER Permit Number: _____ Expiration Date: 5/24/2014

05 123 35664 00

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 48 hour notice prior to spud via electronic Form 42.
 - 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.
- Operator must meet water well sampling requirements as per Rule 318A.

Attachment Check List

Att Doc Num	Name
400277127	FORM 2 SUBMITTED
400279577	PROPOSED SPACING UNIT
400279579	PROPOSED SPACING UNIT
400279580	DEVIATED DRILLING PLAN
400279581	DIRECTIONAL DATA
400279582	SURFACE AGRMT/SURETY
400279583	PLAT

Total Attach: 7 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	No LGD or public comment received; final review completed.	5/24/2012 11:15:24 AM
Permit	Section 5 is all one lease.	5/2/2012 8:26:11 AM

Total: 2 comment(s)

BMP

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

Total: 0 comment(s)