

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



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Date Received:

08/22/2012

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: 410 17TH STREET SUITE #1400

City: DENVER State: CO Zip: 80202

6. Contact Name: Keith Caplan Phone: (720)440-6100 Fax: (720)279-2331

Email: KCaplan@BonanzaCrk.com

7. Well Name: Antelope Well Number: F-J-17HZ

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

9. Proposed Total Measured Depth: 11195

WELL LOCATION INFORMATION

10. QtrQtr: NENW Sec: 17 Twp: 5N Rng: 62W Meridian: 6

Latitude: 40.404610 Longitude: -104.349180

Footage at Surface: 734 feet FNL/FSL 2027 feet FEL/FWL FWL

11. Field Name: Wattenberg Field Number: 90750

12. Ground Elevation: 4690 13. County: WELD

14. GPS Data:

Date of Measurement: 09/07/2012 PDOP Reading: 1.9 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 460 FNL 1000 FWL 460 FSL 900 FWL 460
Sec: 17 Twp: 5N Rng: 62W Sec: 17 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: 645 ft

18. Distance to nearest property line: 734 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 179 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	407-538	640	All

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):

T5N-R62W: Sec. 17: All, plus acreage in other lands.

25. Distance to Nearest Mineral Lease Line: 460 ft

26. Total Acres in Lease: 9046

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	13+1/2	9+5/8	36	0	410	200	410	0
1ST	8+3/4	7+0/0	23/26	0	6,930	500	6,930	2,500
1ST LINER	6+1/8	4+1/2	11.6	6830	11,195			

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

33. Comments Conductor casing will not be used on this well. Bradenhead monitoring BMPs apply to Antelope 13-17 and 14-17.

34. Location ID: 404901

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 S. Caplan

Title: Sr. Regulatory Specialist Date: 8/22/2012 Email: KCaplan@BonanzaCrk.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: Matthew Lee Director of COGCC Date: 9/21/2012

API NUMBER

05 123 36106 00

Permit Number: _____ Expiration Date: 9/20/2014

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.

Operator must meet water well testing requirements per Rule 318A.

- 1) Provide 48 hour notice prior to spud via electronic Form 42.
- 2) Provide cement coverage from base of intermediate casing 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.

Attachment Check List

Att Doc Num	Name
2233029	DEVIATED DRILLING PLAN
2233030	WELL LOCATION PLAT
400316706	FORM 2 SUBMITTED
400316795	SURFACE AGRMT/SURETY
400326590	DIRECTIONAL DATA

Total Attach: 5 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final Review Completed. No LGD or public comment received.	9/17/2012 7:30:40 AM
Permit	Updated lease acreage, distance to nearest property line, above ground utility, and all SHL information including GPS per operator. Attached plat, directional template, and deviated drilling plan. Waiting on map to update for final review.	9/13/2012 7:40:39 AM
Permit	Operator made correction.	8/23/2012 9:18:50 AM
Permit	Returned to draft. Needs location ID.	8/23/2012 9:04:45 AM

Total: 4 comment(s)

BMP

<u>Type</u>	<u>Comment</u>
Drilling/Completion Operations	Bonanza Creek Energy acknowledges and will comply with the "COGCC Policy for Bradenhead Monitoring during Hydraulic Fracturing Treatments in the Greater Wattenberg Area," dated May 29, 2012.

Total: 1 comment(s)