

FORM 2 Rev 12/05

State of Colorado Oil and Gas Conservation Commission

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Document Number:

400409801

Date Received:

05/10/2013

PluggingBond SuretyID

20120018

APPLICATION FOR PERMIT TO:

1. [X] Drill, [ ] Deepen, [ ] Re-enter, [ ] Recomplete and Operate

2. TYPE OF WELL

OIL [X] GAS [ ] COALBED [ ] OTHER [ ] SINGLE ZONE [X] 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: Randy Edelen Phone: (720)440-6100 Fax: (720)2331

Email: REdelen@bonanzacr.com

7. Well Name: Seventy Holes Well Number: T-P-5HNB

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

9. Proposed Total Measured Depth: 11072

WELL LOCATION INFORMATION

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

Latitude: 40.335340 Longitude: -104.342910

Footage at Surface: 485 feet FNL/FSL FSL 799 feet FEL/FWL FEL

11. Field Name: Wattenberg Field Number: 90750

12. Ground Elevation: 4531 13. County: WELD

14. GPS Data:

Date of Measurement: 10/29/2012 PDOP Reading: 1.3 Instrument Operator's Name: Wyatt Hall

15. If well is [ ] Directional [X] Horizontal (highly deviated) submit deviated drilling plan.

Footage at Top of Prod Zone: FNL/FSL FSL 1317 FEL Bottom Hole: FNL/FSL FNL 1312 FEL Sec: 5 Twp: 4N Rng: 62W Sec: 5 Twp: 4N Rng: 62W

16. Is location in a high density area? (Rule 603b)? [X] Yes [ ] No

17. Distance to the nearest building, public road, above ground utility or railroad: 1 mi

18. Distance to nearest property line: 485 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 710 ft

20. LEASE, SPACING AND POOLING INFORMATION

Table with 5 columns: Objective Formation(s), Formation Code, Spacing Order Number(s), Unit Acreage Assigned to Well, Unit Configuration (N/2, SE/4, etc.)

21. Mineral Ownership: [X] Fee [ ] State [ ] Federal [ ] Indian Lease #:

22. Surface Ownership: [X] Fee [ ] State [ ] Federal [ ] Indian

23. Is the Surface Owner also the Mineral Owner? [X] Yes [ ] No Surface Surety ID#:

23a. If 23 is Yes: Is the Surface Owner(s) signature on the lease? [ ] Yes [X] 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):

4N-62W-5 All and lands in other sections

25. Distance to Nearest Mineral Lease Line: 470 ft 26. Total Acres in Lease: 8115

### 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	36.00	0	410	200	410	0
1ST	8+3/4	7	26.00	0	6,718	500	6,718	2,500
1ST LINER	6+1/8	4+1/2	11.60	6618	11,072			

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

33. Comments Conductor casing will not be used. No offset wells within 500 feet of this proposed well, therefore, an Offset Well Evaluation sheet is not required.

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: Randy Edelen

Title: Regulatory Specialist Date: 5/10/2013 Email: REdelen@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: Matthew Lee Director of COGCC Date: 6/14/2013

API NUMBER: **05 123 37579 00** Permit Number: \_\_\_\_\_ Expiration Date: 6/13/2015

#### 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 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.

## Applicable Policies and Notices to Operators

Notice Concerning Operating Requirements for Wildlife Protection.

Policy for Bradenhead Monitoring During Hydraulic Fracturing Treatments in the Greater Wattenberg Area.

### Attachment Check List

Att Doc Num	Name
400409801	FORM 2 SUBMITTED
400409803	WELL LOCATION PLAT
400409804	DEVIATED DRILLING PLAN
400409805	DIRECTIONAL DATA

Total Attach: 4 Files

### General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final review completed. No LGD or public comments.	6/13/2013 9:43:51 AM
Engineer	No existing wells within 500' of proposed directional.	5/28/2013 2:58:19 PM
Permit	Requested review of the distance to the nearest property line as 2 and 2A don't match. Operator supplied suitable answer.	5/20/2013 6:52:37 AM
Permit	RTD: Missing Offset well spreadsheet.	5/13/2013 11:12:05 AM
Permit	Removed statement regarding SUA on the form 2A.	5/13/2013 11:11:23 AM
Permit	RTD: form 2A says SUA attaced to APD. SUA not attached to APD.	5/13/2013 8:16:50 AM

Total: 6 comment(s)

### BMP

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