

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:

400399557

Date Received:

05/16/2013

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: DeAnne Spector Phone: (303)928-2128 Fax: ()

Email: dspector@petro-fs.com

7. Well Name: North Platte Federal Well Number: K-O-22HNB

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

9. Proposed Total Measured Depth: 11084

WELL LOCATION INFORMATION

10. QtrQtr: NWNE Sec: 22 Twp: 5N Rng: 63W Meridian: 6

Latitude: 40.391225 Longitude: -104.421929

Footage at Surface: 324 feet FNL/FSL 2561 feet FEL/FWL FEL

11. Field Name: Wattenberg Field Number: 90750

12. Ground Elevation: 4649 13. County: WELD

14. GPS Data:

Date of Measurement: 03/27/2012 PDOP Reading: 1.5 Instrument Operator's Name: Brian Ritz

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

Footage at Top of Prod Zone: FNL/FSL 470 FNL 2550 FEL 470 FSL 2600 FEL 470
Sec: 22 Twp: 5N Rng: 63 Sec: 22 Twp: 5N Rng: 63

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: 4759 ft

18. Distance to nearest property line: 324 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 445 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		320	GWA

21. Mineral Ownership: ☐ Fee ☐ State ☒ Federal ☐ Indian Lease #: 63737

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-R63W: Sec. 22: W/2, W/2E/2.

25. Distance to Nearest Mineral Lease Line: 470 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	13+1/2	9+5/8	36#	0	800	677	800	0
1ST	8+3/4	7	26#	0	6,899	727	6,899	800
1ST LINER	6+1/8	4+1/2	11.6#	0	11,084			

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

33. Comments No conductor will be set. Production casing will not be cemented and will be hung at 6,799' in the 7" casing. Unit configuration is the E/2W/2 and the W/2E/2.

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: DeAnne M. Spector

Title: Regulatory Analyst

Date: 5/16/2013

Email: dspector@petro-fs.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: 7/21/2013

API NUMBER

05 123 37700 00

Permit Number: _____ Expiration Date: 7/20/2015

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
400399557	FORM 2 SUBMITTED
400400046	SURFACE AGRMT/SURETY
400400047	DEVIATED DRILLING PLAN
400406249	DIRECTIONAL DATA
400419430	PLAT
400420613	PROPOSED SPACING UNIT

Total Attach: 6 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final review completed. No LGD or public comments.	7/9/2013 12:48:09 PM
Engineer	Evaluated any existing wells within 1500' of proposed directional.	6/4/2013 10:56:42 AM
Permit	Changes to distance to nearest well, total number of acres in lease, and footages of TOP as per operator.	5/4/2013 5:41:22 AM
Permit	The TOP and the distance to the nearest lease line don't match. It should be at least 460'.	5/30/2013 9:01:29 AM
Permit	This form has passed completeness.	5/20/2013 10:51:40 AM
Permit	Returned to draft for the following: SHL does not match well location plat.	5/20/2013 10:16:06 AM
Permit	Requested review the Proposed Total Measured Depth @6928 versus the 1st liner being set @ 11235. Also, the attachment label Fed. Drilling Permit contains little pertinent information, please remove it. Bonanza Creek in the recent past has separated the Proposed Spacing unit letter and the plat, please combine those as one attachment and mark it as the Proposed Spacing Unit not correspondence. Returned to DRAFT.	5/17/2013 7:16:06 AM

Total: 7 comment(s)

BMP

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