

FORM

2

Rev  
05/22

## State of Colorado

## Energy &amp; Carbon Management Commission

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

Document Number:

403346271

Date Received:

06/15/2023

## APPLICATION FOR PERMIT TO

☒ Drill
 ☐ Deepen
 ☐ Re-enter
 ☐ Recomplete and Operate
Amend ☐TYPE OF WELL OIL ☒ GAS ☐ COALBED ☐ OTHER: \_\_\_\_\_Refill ☐ZONE TYPE SINGLE ZONE ☒ MULTIPLE ZONES ☐ COMMINGLE ZONES ☐Sidetrack ☐

Well Name: State Seventy Holes

Well Number: Y-E-10HNXRL

Name of Operator: BONANZA CREEK ENERGY OPERATING COMPANY LLC

COGCC Operator Number: 8960

Address: 410 17TH STREET SUITE #1400

City: DENVER

State: CO

Zip: 80202

Contact Name: Jeff Annable

Phone: (303)312-8529

Fax: ( )

Email: jannable@civiresources.com

## FINANCIAL ASSURANCE FOR PLUGGING, ABANDONMENT, AND RECLAMATION

## COGCC Financial Assurance

☒ The Operator has provided or will provide Financial Assurance to the COGCC for this Well.

Surety ID Number (if applicable): 20120018

## Federal Financial Assurance

☐ In checking this box, the Operator certifies that it has provided or will provide at least this amount of Financial Assurance to the federal government for this Well. (Per Rule702.a.)

Amount of Federal Financial Assurance \$ \_\_\_\_\_

## WELL LOCATION INFORMATION

## Surface Location

QtrQtr: NWNE Sec: 3 Twp: 4N Rng: 62W Meridian: 6

Footage at Surface: 288 Feet FNL/FSL 2269 Feet FEL/FWL

Latitude: 40.348200 Longitude: -104.310940

GPS Data: GPS Quality Value: 1.6 Type of GPS Quality Value: PDOP

Date of Measurement: 05/20/2022

Ground Elevation: 4549

Field Name: WATTENBERG

Field Number: 90750

Well Plan: is ☐ Directional ☒ Horizontal (highly deviated) ☐ Vertical

If Well plan is Directional or Horizontal attach Deviated Drilling Plan and Directional Data.

## Subsurface Locations

Top of Productive Zone (TPZ)

Sec: 3 Twp: 4N Rng: 62W Footage at TPZ: 10 FSL 330 FEL

Measured Depth of TPZ: 9014 True Vertical Depth of TPZ: 6040 FNL/FSL FEL/FWL

**Base of Productive Zone (BPZ)**

Sec: 4 Twp: 4N Rng: 62W Footage at BPZ: 10 FSL 330 FWL  
Measured Depth of BPZ: 18920 True Vertical Depth of BPZ: 6040 FNL/FSL FEL/FWL

**Bottom Hole Location (BHL)**

Sec: 4 Twp: 4N Rng: 62W Footage at BHL: 10 FSL 330 FWL  
FNL/FSL FEL/FWL

**LOCAL GOVERNMENT PERMITTING INFORMATION**

County: WELD Municipality: N/A

Is the Surface Location of this Well in an area designated as one of State interest and subject to the requirements of § 24-65.1-108 C.R.S.? Yes

Per § 34-60-106(1)(f)(I)(A) C.R.S., the following questions pertain to the Relevant Local Government approval of the siting of the proposed Oil and Gas Location.

SB 19-181 provides that when "applying for a permit to drill," operators must include proof that they sought a local government siting permit and the disposition of that permit application, or that the local government does not have siting regulations. § 34-60-106(1)(f)(I) (A) C.R.S.

Does the Relevant Local Government regulate the siting of Oil and Gas Locations, with respect to this Location? ☒ Yes ☐ No

☒ If yes, in checking this box, I hereby certify that an application has been filed with the local government with jurisdiction to approve the siting of the proposed oil and gas location.

The disposition of the application filed with the Relevant Local Government is: Other Date of Final Disposition: 09/11/2013

Comments: This location was permitted when oil and gas activities were a Use by Right for AG zoned properties in Unincorporated Weld County. Guidance received from Weld County staff states a new 1041 WOGLA is only required for existing Use by Right locations if new wells are being added or the location is changed substantially from what was permitted. Since we are not adding wells or changing the location a new Weld County 1041 WOGLA is not required. Therefore, the original Form 2A approval date will be used for the local permit approval date.

**SURFACE AND MINERAL OWNERSHIP AT WELL'S OIL & GAS LOCATION**

Surface Owner of the land at this Well's Oil and Gas Location: ☐ Fee ☒ State ☐ Federal ☐ Indian

Mineral Owner beneath this Well's Oil and Gas Location: ☐ Fee ☒ State ☐ Federal ☐ Indian

Surface Owner Protection Bond (if applicable): \_\_\_\_\_ Surety ID Number (if applicable): \_\_\_\_\_

**MINERALS DEVELOPED BY WELL**

The ownership of all the minerals that will be developed by this Well is (check all that apply):

- ☒ Fee  
☒ State  
☐ Federal  
☐ Indian  
☐ N/A

## LEASE INFORMATION

Using standard QtrQtr, Section, Township, Range format describe one entire mineral lease as follows:

\* If this Well is within a unit, describe a lease that will be developed by the Well.

\* If this Well is not subject to a unit, describe the lease that will be produced by the Well.

(Attach a Lease Map or Lease Description or Lease if necessary.)

Township 4 North Range 62 West  
Section 3: NE4, S2

Total Acres in Described Lease: 480

Described Mineral Lease is: ☐ Fee ☒ State ☐ Federal ☐ Indian

Federal or State Lease # OG-106632

## SAFETY SETBACK INFORMATION

Distance from Well to nearest:

Building: 5280 Feet  
Building Unit: 5280 Feet  
Public Road: 5280 Feet  
Above Ground Utility: 5280 Feet  
Railroad: 5280 Feet  
Property Line: 288 Feet

### INSTRUCTIONS:

- Specify all distances per Rule 308.b.(1).
- Enter 5280 for distance greater than 1 mile.
- Building - nearest building of any type. If nearest Building is a Building Unit, enter same distance for both.
- Building Unit – as defined in 100 Series Rules.

## OBJECTIVE FORMATIONS

Objective Formation(s)	Formation Code	Spacing Order Number(s)	Unit Acreage Assigned to Well	Unit Configuration (N/2, SE/4, etc.)
NIOBRARA	NBRR	407-3466	640	T4N R62W SEC 3: S2S2, SEC 4: S2S2, SEC 9: N2N2, SEC 10: N2N2

Federal or State Unit Name (if appl):

Unit Number:

## SUBSURFACE MINERAL SETBACKS

Enter 5280 for distance greater than 1 mile.

Is this Well within a unit? Yes

If YES:

Enter the minimum distance from the Completed Zone of this Well to the Unit Boundary: 330 Feet

Enter the minimum distance from the Completed Zone of this Well to the Completed Zone of an offset Well within the same unit permitted or completed in the same formation: 0 Feet

If NO:

Enter the minimum distance from the Completed Zone of this Well to the Lease Line of the described lease: Feet

Enter the minimum distance from the Completed Zone of this Well to the Completed Zone of an offset Well producing from the same lease and permitted or completed in the same formation: Feet

## Exception Location

☐ If this Well requires the approval of a Rule 401.c Exception Location, enter the Rule or spacing order number and attach the Exception Location Request and Waivers.

## SPACING & FORMATIONS COMMENTS

### DRILLING PROGRAM

Proposed Total Measured Depth: 18920 Feet

TVD at Proposed Total Measured Depth 6040 Feet

Distance from the proposed wellbore to nearest existing or proposed wellbore belonging to another operator, including plugged wells:

Enter distance if less than or equal to 1,500 feet: 14 Feet ☐ No well belonging to another operator within 1,500 feet

Will a closed-loop drilling system be used? Yes

Is H<sub>2</sub>S gas reasonably expected to be encountered during drilling operations at concentrations greater than

or equal to 100 ppm? No If yes, attach an H<sub>2</sub>S Drilling Plan unless a plan was already submitted with the Form 2A per Rule 304.c.(10).

Will there be hydraulic fracture treatment at a depth less than 2,000 feet in this well? No

Will salt sections be encountered during drilling? No

Will salt based (>15,000 ppm Cl) drilling fluids be used? No

Will oil based drilling fluids be used? Yes

BOP Equipment Type: ☒ Annular Preventor ☒ Double Ram ☒ Rotating Head ☐ None

Beneficial reuse or land application plan submitted?

Reuse Facility ID:  or Document Number:

### CASING PROGRAM

Casing Type	Size of Hole	Size of Casing	Grade	Wt/Ft	Csg/Liner Top	Setting Depth	Sacks Cmt	Cmt Btm	Cmt Top
CONDUCTOR	24	16	N/A	42	0	80	100	80	0
SURF	12+1/4	9+5/8	J-55	36	0	1500	400	1500	0
1ST	8+1/2	5+1/2	P-110	20	0	18920	2538	18920	

☐ Conductor Casing is NOT planned

### POTENTIAL FLOW AND CONFINING FORMATIONS

Zone Type	Formation /Hazard	Top M.D.	Top T.V.D.	Bottom M.D.	Bottom T.V.D.	TDS (mg/L)	Data Source	Comment
Groundwater	Laramie-Fox Hills	109	109	225	225	0-500	Groundwater Atlas	USGS HA-650 (Robson et al, 1981)
Confining Layer	Pierre Formation	225	225	365	365			
Groundwater	Upper Pierre	365	365	1399	1355	501-1000	Electric Log Calculation	Seventy Holes 23-5 (05-123 -35671-0000)
Confining Layer	Base of Upper Pierre	1399	1355	4307	3335			
Hydrocarbon	Parkman Sandstone	4307	3335	4701	3575			Not productive in the area
Confining Layer	Pierre Formation	4701	3575	5079	3805			
Hydrocarbon	Sussex Sandstone	5079	3805	5194	3875			Not productive in the area
Confining Layer	Pierre Formation	5194	3875	6509	4675			
Hydrocarbon	Shannon Sandstone	6509	4675	6723	4805			Not productive in the area
Confining Layer	Pierre Formation	6723	4805	8577	5935			
Subsurface Hazard	Sharon Springs	8577	5935	9014	6040			Sloughing shales
Hydrocarbon	Niobrara	9014	6040	18920	6040			

## OPERATOR COMMENTS AND SUBMITTAL

### Comments

The distance to the completed portion of the nearest well in the same unit on the "Spacing & Formations" tab is 0' since this is the only well within the drilling and spacing unit.

The nearest existing or proposed wellbore belonging to another operator is the RSU Anschutz Fed 4-62-02-4841CN, API #05-123-46849. The proposed completed interval is greater than 150' from the completed portion of this offset wellbore, therefore a stimulation setback consent is not required. This distance was measured in 3-dimensional space.

The producing intervals of all offset wells owned by other operators within 150' of this well are greater than 150' from the proposed completed interval of this well, therefore a stimulation setback consent is not required.

Attached as OTHER, is the anti-collision analysis which factors in three dimensional measurements as well as gyro surveys performed on some of the offset wellbores. All measurements to offset wellbores were derived from this analysis.

This application is in a Comprehensive Area Plan \_\_\_\_\_

CAP #: \_\_\_\_\_

Oil and Gas Development Plan Name \_\_\_\_\_

OGDP ID#: \_\_\_\_\_

Location ID: 434100

I hereby certify all statements made in this form are, to the best of my knowledge, true, correct, and complete.

Signed: \_\_\_\_\_

Print Name: Jeff Annable

Title: Manager, Regulatory

Date: 6/15/2023

Email: jannable@civiresources.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, applicable orders, and SB 19-181 and is hereby approved.

COGCC Approved: \_\_\_\_\_

Director of COGCC

Date: 8/11/2023

Expiration Date: 08/10/2026

### API NUMBER

05 123 52193 00

## Conditions Of Approval

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.

<u>COA Type</u>	<u>Description</u>
Drilling/Completion Operations	<p>Per COGCC Order 1-232, Bradenhead tests shall be performed according to the following schedule and Form 17 submitted within 10 days of each test:</p> <p>1) Within 60 days of rig release, prior to stimulation. If any pressure greater than 200 psi is observed or if there is continuous flow, Operator must contact ECMC engineering for approval prior to stimulation.</p> <p>2) If a delayed completion, a second test is required between 6-9 months after rig release and must be conducted prior to stimulation. If any pressure greater than 200 psi is observed or if there is continuous flow, Operator must contact ECMC engineering for approval prior to stimulation.</p> <p>3) A post-production test within 60 days after first sales, as reported on the Form 10, Certificate of Clearance.</p>
Drilling/Completion Operations	<p>Operator acknowledges the proximity of the listed non-operated wells. Operator assures that this offset list will be remediated per the Offset Well Evaluation and Hydraulic Fracturing Operator Guidance Document Operator using Option 3. Operator will submit a Form 42 ("OFFSET MITIGATION COMPLETED") stating what appropriate mitigation occurred and that it has been completed, prior to the hydraulic stimulation of this well.</p> <p>123-05145STATE *1-10</p>
Drilling/Completion Operations	<p>1) Submit Form 42 electronically to ECMC 2 business days prior to MIRU (spud notice) for the first well activity with a rig on the pad and provide 2 business day spud notice via Form 42 for all subsequent wells drilled on the pad.</p> <p>2) Comply with Rule 408.j. and provide cement coverage from TD to a minimum of 500' above Niobrara. Verify coverage with a cement bond log.</p> <p>3) Oil based drilling fluid can only be used after all groundwater has been isolated.</p>
Interim Reclamation	<p>Operator shall comply with Notice to Operators: Interim Reclamation Procedures for Delayed Operations (dated January 5, 2017).</p>
Construction	<p>If conductors are preset, operator shall comply with Notice to Operators: Procedures for Preset Conductors (dated September 1, 2016).</p>
Drilling/Completion Operations	<p>Operator will log two (2) wells during the second rig occupation with open-hole resistivity log with gamma-ray log from the kick-off point into the surface casing for the two stratigraphically deepest wells on each side of the pad.</p>
6 COAs	

## Best Management Practices

<u>No</u>	<u>BMP/COA Type</u>	<u>Description</u>
1	Drilling/Completion Operations	One of the first wells drilled on the pad during the first rig occupation will be logged with open-hole resistivity log with gamma-ray log from the kick-off point into the surface casing for one of the stratigraphically deepest wells on the pad. All wells on the pad will have a cement bond log with gamma-ray run on production casing (or on intermediate casing if production liner is run) into the surface casing. The horizontal portion of every well will be logged with a measured-while-drilling gamma-ray log. The Form 5, Completion Report, for each well on the pad will list all logs run and have those logs attached. The Form 5 for a well without open-hole logs will state "Alternative Logging Program - No open-hole logs were run" and will clearly identify the type of log and the well (by API#) in which open-hole logs were run.
2	Drilling/Completion Operations	Anti-collision: Operator will perform an anti-collision evaluation of all active (producing, shut in, or temporarily abandoned) offset wellbores that have the potential of being within 150 feet of a proposed well prior to drilling operations for the proposed well. Notice shall be given to all offset operators prior to drilling.

Total: 2 comment(s)

## Attachment List

<u>Att Doc Num</u>	<u>Name</u>
403346271	FORM 2 SUBMITTED
403346475	OffsetWellEvaluations Data
403346476	SURFACE AGRMT/SURETY
403357591	WELL LOCATION PLAT
403357592	DEVIATED DRILLING PLAN
403357593	OTHER
403357594	DIRECTIONAL DATA
403494643	OFFSET WELL EVALUATION

Total Attach: 8 Files

## General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final Review Completed.	08/10/2023
OGLA	This Location and its associated Form 2A materials was fully evaluated during the review of this APD in accordance with the current Rules. This APD complies with all CECMC Rules and Staff does not anticipate any significant potential direct adverse impacts to public health, safety, welfare, the environment, and wildlife resources. OGLA task passed.	08/09/2023
Permit	Emailed the SLB to notify them of this pending application. SLB has no concerns with this application. Permitting Review Complete.	07/18/2023

Total: 3 comment(s)