

**BEFORE THE OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF COLORADO**

IN THE MATTER OF THE PROMULGATION AND)	CAUSE NO. 407
ESTABLISHMENT OF FIELD RULES TO GOVERN)	
OPERATIONS IN THE WATTENBERG FIELD)	DOCKET NO. 1201-SP-01
AREA, WELD COUNTY, COLORADO)	

AMENDED APPLICATION

Bonanza Creek Energy Operating Company LLC ("Bonanza") by and through its attorneys, Lohf Shaiman Jacobs Hyman & Feiger PC, respectfully submits this Amended Application to the Oil and Gas Conservation Commission of the State of Colorado (the "Commission") for an order establishing alternative 640-acre drilling and spacing units, and establishing well location rules, applicable to the drilling and producing of horizontal wells from the Niobrara Formation covering certain lands in Weld County, Colorado. In support of its Application, Bonanza states as follows:

1. Bonanza is a limited liability company duly organized and authorized to conduct business in the State of Colorado.

2. Bonanza owns 100% of the leasehold interests in the following described lands in Weld County, Colorado (the "Application Lands").

T4N, R63W:
Sections 1, 2, & 12

T4N, R62W:
Section 5

T5N, R62W:
Sections 17, 21, 29, 31

3. The Application Lands are unspaced with respect to the Niobrara Formation and are subject to Rule 318A, which among other things establishes drilling windows to be utilized to drill, deepen or recompleate a well and to commingle any or all of the Cretaceous Age Formations from the base of the Dakota Formation to the surface.

4. To promote efficient drainage of the Niobrara Formation in the Application Lands, to protect correlative rights and avoid waste, the Commission should establish alternative drilling and spacing units of approximately 640 acres, consisting of each section within the Application Lands, applicable to the drilling and producing of horizontal wells to the Niobrara Formations.

5. Bonanza requests an order allowing it to drill and complete one horizontal well in each of the established 640-acre drilling and spacing units in the Application Lands, with the option to drill a second horizontal well in each such unit. Each proposed horizontal well shall be drilled in the designated drilling and spacing unit, regardless of lease lines within the unit, with the completed interval of such well in the Niobrara Formation no closer than 460 feet from the boundaries of the drilling and spacing unit, and no closer than 920 feet from the completed interval in another well producing from the same common source of supply.

6. The proposed drilling and spacing units, and well location rules established in the requested order would be applicable to the drilling of horizontal wells only, with vertical and directional wells in the Niobrara formation remaining subject to Commission Rule 318A.

7. The above-proposed drilling and spacing units will allow efficient drainage of the Niobrara Formation; will prevent waste; will not adversely affect correlative rights of any owner, and will assure the greatest ultimate recovery of oil, gas and associated hydrocarbon substances from the reservoirs.

8. Drilling and spacing units of the size and shape specified above are not smaller than the maximum area that can be economically and efficiently drained by a single horizontal well to the Niobrara Formation in each proposed drilling and spacing unit.

9. The proposed wells can be developed in a manner consistent with protection of the environment, public health, safety and welfare.

10. The names and addresses of the interested parties according to the information and belief of Bonanza are set forth in the annexed Exhibit A. The undersigned certifies that copies of this Amended Application shall be served on each interested party within the next seven days as required by Rule 503.e.

WHEREFORE, Bonanza respectfully requests that this matter be set for hearing, that notice be given as required by law, and upon such hearing this Commission enter its order consistent with Bonanza's requests set forth above.

Respectfully submitted this 21st day of December, 2011, to amend Application dated 23rd day of November, 2011.

LOHF SHAIMAN JACOBS HYMAN & FEIGER PC

By: _____

J. Michael Morgan #7279
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Address of Applicant:

Bonanza Creek Energy Operating Company LLC
410 17th Street, Suite 1380
Denver, CO 80202

EXHIBIT "A"

TO AMENDED APPLICATION OF BONANZA CREEK ENERGY OPERATING COMPANY LLC

Bonanza Creek Energy Operating Company LLC
410 17th Street, Suite 1380
Denver, CO 80202

Bruce T. Barker, Esq.
Weld County Commissioner Office
P.O. Box 758
Greeley, CO 80634

Celia Greenman
Colorado Division of Wildlife
6060 Broadway
Denver, Colorado 80214

Kent Kuster
Colorado Department of State
Health and Environment
4300 Cherry Creek Drive South
Denver, Colorado 80246-1530

VERIFICATION

STATE OF COLORADO)
)
CITY AND COUTY OF DENVER) **ss.**

The undersigned, of lawful age, having been first sworn upon his oath, deposes and states that:

1. He is Vice President-land of the Applicant, Bonanza Creek Energy Operating Company LLC, and that he maintains his office at 4900 California Avenue, Suite 350B, Bakersfield, California 93309.
2. He has read the within application, is familiar with the facts set forth therein, and states that said facts are true and correct to the best of his knowledge and belief.

Further Affiant sayeth not.

R. Michael McPhetridge

Subscribed and sworn to before me this 23rd day of November, 2011.

Witness my hand and official seal.
My commission expires: _____

Notary Public

CERTIFICATE OF MAILING

I hereby certify that on the 21st day of December, 2011, a true and correct copy of the foregoing Amended Application was mailed via U.S. First-Class Mail, postage prepaid, to the following:

Bruce T. Barker, Esq.
Weld County Commissioner Office
P.O. Box 758
Greeley, CO 80634

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Denver, CO 80202

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Denver, Colorado 80214

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