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

IN THE MATTER OF THE APPLICATION OF)	CAUSE NO. 407
BONANZA CREEK ENERGY OPERATING)	
COMPANY LLC FOR AN ORDER AFFIRMING)	DOCKET NO. 1210-SP
ORDERS NO 407-380 AND 407-633)	

APPLICATION

Bonanza Creek Energy Operating Company LLC ("Bonanza") by and through its attorneys, Lohf Shaiman Jacobs Hyman & Feiger PC, respectfully submits this Application to the Oil and Gas Conservation Commission of the State of Colorado (the "Commission") for an order affirming Orders No 407-380 and 407-633, so they will apply to interested parties which were not provided notice of the initial hearing in these matters. 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 oil and gas leasehold interests in the following sections in Weld County, Colorado (the "Application Lands"):

Township 5 North, Range 61 West 6th P. M. Section 18: All

Township 5 North, Range 62 West 6th P. M. Section 15: All

- 3. By Order 407-380, effective November 29, 2010, the Commission established the Application Lands, and certain other lands, as separate 640-acre drilling and spacing units for production of oil, gas and associated hydrocarbons from horizontal wells to the Niobrara Formation. The Order authorized the drilling of a horizontal well in each such unit, with the surface location anywhere on such unit, and with a bottomhole location and the horizontal leg of such well to be no closer than 460 feet from the boundaries of the unit.
- 4. By Order 407-633, effective May 29, 2012, the Commission authorized the drilling and completion of one or more additional horizontal wells in each such unit as necessary to economically and efficiently recover oil, gas and associated hydrocarbons from the Niobrara Formation, to prevent waste and to protect correlative rights, with the distance between the completed interval of any horizontal well to be no closer than one hundred fifty (150) feet from the wellbore of any existing or permitted oil and gas well.
- 5. Bonanza has since discovered that two interested parties were unintentionally omitted from the notice list for the Applications in Commission Dockets 1010-SP-31 and 1205-AW-03, on which Orders 407-308 and 407-633 were based. Those omitted parties are listed on **Exhibit "A"** to this Application.
- 6. The undersigned certifies that copies of this Application, and the underlying Applications in Dockets 1010-SP-31 and 1205-AW-03, shall be served on each such interested party within the next seven days as required by Rule 503.e.

- 7. The grounds upon which Bonanza sought the above-referenced Orders continue to exist, specifically:
 - A. Establishment of 640-acre 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.
 - B. Drilling and spacing units of the size and shape requested are not smaller than the maximum area which can be economically and efficiently drained by a single well in each proposed drilling and spacing unit.
 - C. The drilling and completion one or more additional horizontal wells in each such unit, with the competed interval of any such horizontal well being no closer than 460-feet from the boundaries of the unit, and the distance between the completed interval of any horizontal well being no closer than one hundred fifty (150) feet from the wellbore of any existing or permitted oil and gas well, is necessary to economically and efficiently recover oil, gas and associated hydrocarbons from the Niobrara Formation, to prevent waste and to protect correlative rights.

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

Respectfully submitted this 26th day of June, 2012.

LOHF SHAIMAN JACOBS HYMAN & FEIGER PC

By:

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Address of Applicant:

Bonanza Creek Energy Operating Company LLC 410 17th Street, Suite 1500 Denver, CO 80202

EXHIBIT "A" TO APPLICATION OF BONANZA CREEK ENERGY OPERATING COMPANY LLC

Kerr McGee Oil and Gas Onshore LP 1099 18th Street, Suite 1800 Denver, Colorado 80202

> EOG Resources, Inc 600 17th Street, Suite 1000N Denver, Colorado 80202

VERIFICATION

STATE OF COLORADO)	
)	SS.
CITY AND COUTY OF DENVER)	

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

- 1. He is Landman Rocky Mountain Region of the Applicant, Bonanza Creek Energy Operating Company LLC, and that he maintains his office at 410 17th Street, Suite 1500, Denver, Colorado 80202.
- 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.

Jared Rush

CERTIFICATE OF MAILING

I hereby certify that on the 26th day of June, 2012, a true and correct copy of the foregoing Application, together with copies of the Applications in COGCC Dockets 1010-SP-31 and 1205-AW-03, were mailed via U.S. First-Class Mail, postage prepaid, to the following:

Kerr McGee Oil and Gas Onshore LP 1099 18th Street, Suite 1800 Denver, Colorado 80202

EOG Resources, Inc 600 17th Street, Suite 1000N Denver, Colorado 80202

Tonja Hoisington, Paralegal