

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

IN THE MATTER OF THE APPLICATION OF)
BONANZA CREEK ENERGY OPERATING)
COMPANY LLC FOR AN ORDER CONFIRMING)
A 320-ACRE DRILLING AND SPACING UNIT)
FOR THE NORTH PLATTE P-T-34HZ WELL AND)
POOLING ALL INTERESTS THEREIN FOR THE)
NIOBRARA FORMATION UNDERLYING THE)
WATTENBERG FIELD AREA LOCATED IN THE)
E/2 OF SECTION 34, TOWNSHIP 5 NORTH)
RANGE 63 WEST, WELD COUNTY, COLORADO)

CAUSE NO. 407

DOCKET NO. 1303-UP-_____

VERIFIED APPLICATION

COMES NOW, Bonanza Creek Energy Operating Company LLC ("Applicant"), by its attorneys, Lohf Shaiman Jacobs Hyman & Feiger PC, and submits its verified application to the Oil and Gas Conservation Commission of the State of Colorado (the "Commission"), for an order confirming a wellbore drilling and spacing unit for the North Platte P-T-34HZ well, and pooling all non-consenting owners therein, for the Niobrara Formation, in certain lands in the Wattenberg Field Area, Weld County, Colorado, and in support of its application states as follows.

1. Applicant is duly organized and authorized to conduct business in the State of Colorado.

2. Applicant owns leasehold interests in the following described lands in Weld County, Colorado, containing approximately 320-acres (hereinafter, the "Application Lands"):

Township 5 North, Range 63 West, 6th P.M.
Section 34: E/2

3. Pursuant to Commission Rule 318A.a.4.D, Bonanza has duly designated the Application Lands as an approximate 320-acre wellbore drilling and spacing unit for the horizontal North Platte P-T-34HZ well drilled to the Niobrara Formation in the Application Lands, for production of oil, gas and associated hydrocarbons.

4. Applicant has drilled and completed the horizontal North Platte P-T-34HZ well on the Application Lands to the Niobrara Formation.

5. To ensure that all interested parties have notice, to promote efficient drainage of the Niobrara Formation in the Application Lands, to protect correlative rights and avoid waste, the Commission should confirm the wellbore drilling and spacing unit of approximately 320 acres, consisting of the Application Land for the North Platte P-T-34HZ well.

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

7. At least 30 days prior to the hearing on this application, the Applicant will have sent all mineral owners listed on **Exhibit A**, who have not previously consented to lease or otherwise participate in the North Platte P-T-34HZ well, an Authority for Expenditures ("AFE") containing all information required under Commission Rule 530.b., together with an offer to lease which is reasonable, based on the factors listed in Commission Rule 530.c.

8. Applicant anticipates that one or more of such mineral owners will refuse or fail to respond to such offer to lease or participate in the drilling, completion and operation of such well, and shall be deemed non-consenting parties under Commission Rule 530.b and c.

9. An order of the Commission pooling all non-consenting interests in an approximate 320 acre unit composed of the Application Lands shall therefore be necessary in order to afford each owner of an interest in such unit the opportunity to recover and receive its just and equitable share of the oil and/or gas from the common source of supply underlying said unit.

10. The granting of the requested order would not be prejudicial to the owners in the unit and would protect correlative rights.

11. The requested pooling order should be effective as of the date of this Application, or the date that costs specified by C.R.S. §34-60-116(7)(b) were first incurred by Applicant for the drilling of the North Platte P-T-34HZ well, whichever is first in time.

12. The names and addresses of the interested parties according to the information and belief of the Applicant are set forth on **Exhibit A** attached hereto and made a part hereof.

WHEREFORE, Applicant, Bonanza Creek Energy Operating Company LLC, respectfully requests that this matter be set for hearing in March 25 or 26, 2013, that notice be given as required by law and upon such hearing this Commission enter its order confirming the 320-acre wellbore spacing unit for the North Platte P-T-34HZ well, for oil, gas and associated hydrocarbons from the Niobrara Formation consisting of the Application Lands, and pooling all non-consenting interests in said unit for production from the Niobrara Formation, under such terms as are fair, reasonable and required by law.

Dated: January 22, 2013.

LOHF SHAIMAN JACOBS HYMAN & FEIGER PC

By: 

J. Michael Morgan #7279
950 South Cherry Street, Suite 900
Denver, CO 80246
(303) 753-9000; (303) 753-9997 (fax)
mmorgan@lohfshaiman.com

Applicant's Address:

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

VERIFICATION


STATE OF COLORADO)
) ss.
CITY & COUNTY OF DENVER)

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

1. He is employed as Landman - Rocky Mountain Region, for 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.

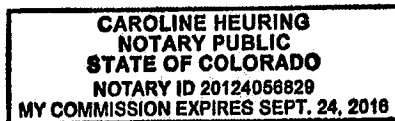
Further Affiant sayeth not.



Jared Rush

Subscribed and sworn to before me this 22 day of January, 2013.

Witness my hand and official seal.

My commission expires: 9/24/2016





Notary Public

EXHIBIT "A"

TO APPLICATION OF BONANZA CREEK ENERGY OPERATING COMPANY LLC

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

Applicant's Attorney: J. Michael Morgan, Esq.
Lohf Shaiman Jacobs Hyman & Feiger PC
950 South Cherry Street, Suite 900
Denver, CO 80246

Local Government Designee: David Bauer
Weld County
1111 H Street
Greeley, CO 80632

Other Interested Parties:

Rex Monahan Family Trust, dtd 1/16/79 Restated & Amended on 3/1/05 Doris L. Monahan, Trustee P.O. Box 1231 Sterling, CO 80751	William F. Sullivan Konnie Jill Sullivan 24607 Cottonwood Lane Kersey, CO 80644
The Prospect Company P.O. Box 1100 Edmond, OK 73083	P. David Perkins P.O. Box 267 Unionville, MO 63565
BAC Home Loans Servicing, LP 400 Countrywide Way SV 35 P.O. Box 10232 Simi Valley, CA 93065-6298	Timothy Rae Kelley Tracy Leigh Kelley 24603 Cottonwood Lane Kersey, CO 80644
Mr. and Mrs. Jerry L. Cutter 24601 Cottonwood Lane Kersey, CO 80644	Trey D. Moody 24603 Cottonwood Court Kersey, CO 80644
Juan Orta 24593 Cottonwood Court Kersey, CO 80644	SFR 2010-2REO Corp. 5700 W. Plano Parkway, Suite 1200 Plano, TX 75093
JP Morgan Chase Bank, N.A. 10790 Rancho Bernardo Road San Diego, CA 92127	Eralio Rico 24587 Cottonwood Court Kersey, CO 80644

Gary K. DeJohn 1860 23 rd Avenue Greeley, CO 80634	Cody W. and Jordan M. Myers 24605 Cottonwood Lane Kersey, CO 80644
Weld County Board of County Commissioners 915 10 th Street P.O. Box 758 Greeley, CO 80632	Cottonwood Falls HOA 24601 Cottonwood Lane P.O. Box 726 Kersey, CO 80644
William D., Tina R. & Jason J. Thompson 24349 Cottonwood Lane Kersey, CO 80644	Sara M. Wagner 24595 Cottonwood Court Kersey, CO 80644
70 Ranch, LLC 8301 E. Prentice Ave., Suite 100 Greenwood Village, CO 80111	The TH Ranch, LLC 34555 County Road 50 Kersey, CO 80644
Duane D. Helton and Brenda S. Helton Joint Tenants 24965 County Road 69 Kersey, CO 80644	

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AFFIDAVIT OF MAILING

STATE OF COLORADO)
) ss.
CITY & COUNTY OF DENVER)

J. Michael Morgan, of lawful age and being first duly sworn upon his oath, states and declares:

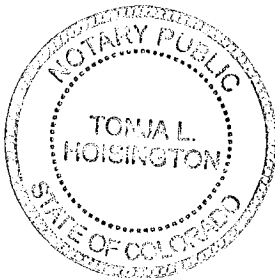
That he is the attorney for Bonanza Creek Energy Operating Company LLC. On January 22, 2013, he caused a copy of the attached Application to be deposited in the United States Mail, postage prepaid, addressed to the parties listed on **Exhibit A** to the Application.



J. Michael Morgan

Subscribed and sworn to before me this 22th day of January, 2013

Witness my hand and official seal.
My commission expires: 09/13/2013





Tonja L. Hoisington, Notary Public