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

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) CAUSE NO. 407 & 535
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) DOCKET NO. 1309-AW
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)

VERIFIED APPLICATION

Bonanza Creek Energy Operating Company LLC ("Bonanza") by and through its attorneys, Lohf Shaiman Jacobs Hyman & Feiger PC, respectfully submits its Verified Application to the Oil and Gas Conservation Commission of the State of Colorado (the "Commission") for an order authorizing the drilling and completion of up to ten (10) horizontal wells in an existing drilling and spacing unit consisting of Section 28, Township 5 North, Range 61 West, for production of oil, gas and associated hydrocarbons from the Niobrara Formation in the Wattenberg Field, Weld County, Colorado. In support of its Verified Application Bonanza states as follows:

- 1. Bonanza is a Delaware 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 28

- 3. By Order 407-779 & 535-4, entered effective February 22, 2011 and corrected on April 4, 2011, the Commission established the Application Lands as a 640-acre drilling and spacing unit for production of oil, gas and associated hydrocarbons from the Niobrara Formation. The Order authorized the drilling of one well in the unit, with the treated interval of the permitted wellbore to be no closer than 460 feet from the boundaries of the unit.
 - 4. No wells have yet been drilled to the Niobrara Formation in the Application Lands.
- 5. Bonanza requests that the Commission authorize the drilling and completion of up to ten (10) 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 protect correlative rights.
- 6. Section §34-60-116(4) of the Colorado Oil and Gas Conservation Act authorizes the Commission to permit additional wells to be drilled within established drilling and spacing units in order to prevent or assist in preventing waste.

- 7. Consistent with Rule 318A(I).(m), Bonanza further requests that the treated interval of any horizontal well be no closer than 150 feet from the wellbore of any then-existing or permitted oil and gas well, unless waived in writing by the operator of the encroached upon well.
- 8. Bonanza further requests that horizontal wells under the requested order be located on no more than two surface pads per governmental half-section as designated by the operator, with wells on each pad to be drilled from surface locations within 50 feet of an adjacent drilled or permitted well, without exception being granted by the Director for good cause, which shall include surface owner consent.
- 9. Entry of an order consistent with the above requests will allow efficient drainage of the Niobrara Formation in the Application Lands, 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 reservoir.
- 10. The proposed horizontal wells can be developed in a manner consistent with protection of the environment, public health, safety and welfare.
- 11. The undersigned certifies that copies of this Application shall be served on each interested party listed on **Exhibit A** as required by Rule 503.e.

WHEREFORE, Bonanza respectfully requests this matter be set for hearing, notice be given as required by law, and upon such hearing the Commission enter its order providing the relief requested by Bonanza above, together with such other relief consistent with the above requests as the Commission deems just and appropriate.

RESPECTFULLY SUBMITTED this 18th day of July, 2013.

LOHF SHAIMAN JACOBS HYMAN & FEIGER PC

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J. Michael Morgan #7279
Justin Plaskov #45053
950 South Cherry Street, Suite 900
Denver, Colorado 80246
(303) 753-9000
(303) 753-9997 (fax)
mmorgan@lohfshaiman.com

Address of Applicant:
Bonanza Creek Energy Operating Company LLC
410 17th Street, Suite 1400
Denver, CO 80202

EXHIBIT "A"

TO APPLICATION OF BONANZA CREEK ENERGY OPERATING COMPANY LLC

Section 28, Township 5 North, Range 61 West, of the 6th P.M.

Applicant: Bonanza Creek Energy Operating Company LLC

410 17th Street, Suite 1400

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:

Celia Greenman Kent Kuster

Colorado Division of Wildlife Colorado Department of State
6060 Broadway Health and Environment

Denver, CO 80214 4300 Cherry Creek Drive South

Denver, CO 80246

Bank of Of Oklahoma, N.A., as Agent for U.S.

Bank, N.A., Trustee of the T. E. McClintock

T/U/W fbo Mary M. Swift

P.O. Box 3499 Tulsa, OK 74101 Continental Resources, Inc.

P.O. Box 1032 Enid, OK 73702

Weld County, Colorado, a political subdivision of the State of Colorado, acting by and through the Board of County Commissioners of the County of Weld, for its respective interests, c/o Board of County Commissioners

915 10th Street P.O. Box 758 Greeley, CO 80632 Colorado State Bank and Trust Company, N.A., Trustee of the T. E. McClintock T/U/W fbo

Elizabeth M. Nikoloric

P.O. Box 3499 Tulsa, OK 74101

The Estate of M.A. Bresnahan, deceased

Last known address:

2800 South University Blvd., Unit #1

Denver. CO 80120

Wells Fargo Bank, N.A., formerly known as First Interstate Bank of Denver as Trustee of the Charles A. Bresnahan Trust Under Will of Mary

A. Bresnahan dated May 28, 1985

P.O. Box 5383 Denver, CO 80217 Burke Family Trust 29 West 140 Batavia Road Warrenville, IL 60555

The Estate of P.E. Williams, deceased Last known address: 6207 Lamar Street Arvada, CO 80003

Apparent Heir of P.E. Williams, deceased and Apparent Heir of Dean Davis, deceased: Lillian Elizabeth Davis 1645 Cape Street Lakewood, CO 80232

Apparent Heir of P.E. Williams, deceased: Mary Evalyn Davis
110 North 7th Street
Livingston, MT 59047

Apparent Heir of P.E. Williams, deceased: Penny Lee Reid P.O. Box 102 Weston, ID 83286

Apparent Heir of P.E. Williams, deceased and Apparent Heir of George R. Foreman, deceased: Peggy DeLindle 8 Frost Lane Colorado Springs, CO 80916

Apparent Heir of P.E. Williams, deceased and Apparent Heir of Francis Irene Sublett, deceased:
Vicky L. Higginbotham
423 North 23rd Street

Council Bluffs, IA 51501

Apparent Heir of P.E. Williams, deceased: Michael Campbell 7627 East 37th Street North #3604 Wichita, KS 67226 ConocoPhillips Company P.O. Box 7500 Barlesville, OK 74005

Apparent Heir of P.E. Williams, deceased: The Estate of Dean Davis, deceased Last known address: 1645 Cape Street Lakewood, CO 80232

Apparent Heir of P.E. Williams, deceased and Apparent Heir of Dean Davis, deceased: Linda Jean Davis Sedgeley 8810 West Iliff Avenue Lakewood, CO 80227

Apparent Heir of P.E. Williams, deceased: Nancy Anne Blotter, a/k/a Nancy Anne Kingdon 5592 Stuart Avenue Chubbuck, ID 83202

Apparent Heir of P.E. Williams, deceased: The Estate of George R. Foreman, deceased Last known address: 4565 Anjelina Circle North Colorado Springs, CO 80916

Apparent Heir of P.E. Williams, deceased: The Estate of Francis Irene Sublett, deceased Last known address: 2902 Avenue "A" Council Bluffs, IA 51501

Apparent Heir of P.E. Williams, deceased: Alice M. Flanagan 7512 Karl Drive Lincoln, NE 68516

Apparent Heir of P.E. Williams, deceased: Patricia Sue Fickes 11266 Downing Drive Northglenn, CO 80223 Apparent Heir of P.E. Williams, deceased: James R. Harrison and Janice A. Harrison P.O. Box 6389 Longmont, CO 80501

Chesapeake Exploration, LLC P.O. Box 18496 Oklahoma City, OK 73154

Bill Barrett Corporation 1099 18th Street, Suite 2300 Denver, CO 80202 Apparent Heir of P.E. Williams, deceased: H. Loraine Mandelko 938 Collyer Street Longmont, CO 80501

OOGC America, Inc. P.O. Box 4705, No. 25 Chaoyangmenbei Dajie Dongcheng District Beijing, 100010, P.R. China

Anschutz Exploration Corporation 555 17th Street, Suite 2400 Denver, CO 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. She is Land Technician for the Applicant, Bonanza Creek Energy Operating Company LLC, and maintains her office at 410 17th Street, Suite 1400, Denver, Colorado 80202.
2. She has read the within Verified Application, is familiar with the facts set forth therein and states that said facts are true and correct to the best of her knowledge and belief.
Further Affiant sayeth not.
Subscribed and sworn to before me this day of July, 2013.
Witness my hand and official seal. My commission expires: \(\frac{11-20-\delta 016}{11-20-\delta 016} \)
ALEXANDER S. NEWELL NOTARY PUBLIC STATE OF COLORADO NOTARY ID # 20124075431 MY COMMISSION EXPIRES NOVEMBER 20, 2016

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 AUTHORIZI THE DRILLING OF UP TO TEN HORIZONTAL WELLS TO THE NIOBRARA FORMATION IN 640-ACRE SPACING UNIT LOCATED IN SEC 28, TOWNSHIP 5 NORTH, RANGE 61 WEST THE 6TH P.M., WATTENBERG FIELD, WELD COUNTY, COLORADO	.) CAUSE NO. 407 & 535 A) TION)
AFFIDAVI	T OF MAILING
STATE OF COLORADO)	
) ss. CITY & COUNTY OF DENVER)	
J. Michael Morgan, of lawful age and be declares:	ing first duly sworn upon his oath, states and
captioned matter, that on July 18, 2013 he caus	ek Energy Operating Company LLC in the above- sed a copies of the attached Verified Application to prepaid, addressed to the parties listed on Exhibi
	J. Michael Morgan
Subscribed and sworn to before me this	day of July, 2013.
Witness my hand and official seal. My commission expires:	
	Notary Public