

**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 AUTHORIZING)	
THE DRILLING OF UP TO TEN HORIZONTAL)	CAUSE NO. 407 & 535
WELLS TO THE NIOBRARA FORMATION IN A)	
640-ACRE SPACING UNIT LOCATED IN SECTION)	
3, TOWNSHIP 4 NORTH, RANGE 62 WEST OF)	DOCKET NO. 1309-AW-__
THE 6TH P.M., WATTENBERG FIELD, WELD)	
COUNTY, COLORADO)	

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 3, Township 4 North, Range 62 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 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 4 North, Range 62 West 6th P. M.
Section 3

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 in the Application Lands.

5. Bonanza requests that the Commission authorize the drilling and completion of up to ten (10) horizontal wells in the 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(l).(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

By: _____
J. Michael Morgan #7279
Justin Plaskov #45053
950 South Cherry Street, Suite 900
Denver, Colorado 80246
(303) 753-9000
(303) 753-9997 (fax)
mmorgan@lohfsheiman.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 3, Township 4 North, Range 62 West, 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
Colorado Division of Wildlife
6060 Broadway
Denver, CO 80214

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

P. David Perkins
1514 Main Street
Unionville, MO 63565

Rex Monahan and Doris Monahan, husband
and wife; Rex Monahan Family Trust, dated
June 16, 1979, and Restated and Amended on
March 1, 2005, Doris L. Monahan, Trustee
P.O. Box 1231
Sterling, CO 80751

George L. Allard
4528 Pioneer Lane
Greeley, CO 80634

State of Colorado, acting by and through the
State Board of Land Commissioners
1127 Sherman Street, Suite 300
Denver, CO 80203

The Prospect Company
P.O. Box 1100
Edmond, OK 73083

Bill Barrett Corporation
1099 18th Street, Suite 2300
Denver, CO 80202

Anschutz Exploration Corporation
555 17th Street, Suite 2400
Denver, CO 80202

Lewis Lee Allard
296 Garfield Street
Walden, CO 80430

70 Ranch Property, LLC
5460 South Quebec Street, #110
Greenwood Village, CO 80111

Marc Lawrence Allard
5516 East County Road 66
Wellington, CO 80540

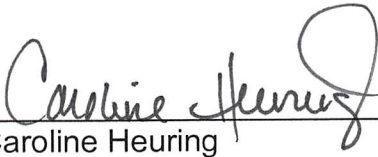
VERIFICATION

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

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.




Caroline Heuring

Subscribed and sworn to before me this 16th day of July, 2013.

Witness my hand and official seal.

My commission expires: 11-20-2016



Notary Public

ALEXANDER S. NEWELL NOTARY PUBLIC STATE OF COLORADO NOTARY ID # 20124075431 MY COMMISSION EXPIRES NOVEMBER 20, 2016

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SECTION 3, TOWNSHIP 4 NORTH, RANGE 62)	DOCKET NO. 1309-AW-__
WEST OF THE 6TH P.M., WATTENBERG FIELD,)	
WELD COUNTY, COLORADO)	

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 in the above-captioned matter, that on July 18, 2013 he caused a copy of the attached Verified 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 _____ day of July, 2013.

Witness my hand and official seal.

My commission expires: _____

Notary Public