

**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)
14, TOWNSHIP 4 NORTH, RANGE 63 WEST OF) DOCKET NO. 1310-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 14, Township 4 North, Range 63 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 section in Weld County, Colorado (the "Application Lands"):

Township 4 North, Range 63 West 6th P. M.
Section 14

3. By Order 407-528 & 535-103, entered effective December 16, 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 two horizontal wells in the unit, with the treated interval of the permitted wellbores to be no closer than 460 feet from the boundaries of the unit.

4. According to the records of the Commission no wells have been drilled to the Application Lands.

5. 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.

6. Bonanza requests that the Commission authorize the drilling and completion of up to ten (10) horizontal wells to the Niobrara Formation in the unit composed of the Application Lands, as necessary to economically and efficiently recover oil, gas and associated hydrocarbons, to prevent waste and protect correlative rights.

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.

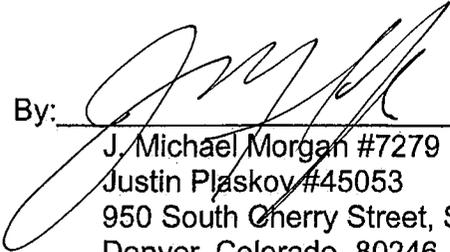
10. The proposed horizontal wells can be developed in a manner consistent with protection of the environment, public health, safety and welfare.

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 27th day of August, 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@lohshaiman.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 14, Township 4 North, Range 63 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

DJ Resources, LLC
1600 Broadway, Suite 1960
Denver, CO 80202

Linda Marlene Sly
2258 Cedar Lake Drive
Loganville, GA 30052

Lucille Jane Harms
2150 West Rue St. Michel
Fresno, CA 93711

Sharon Koop
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Fresno, CA 93726

Virginia Goetz
877 Hummingbird
San Jose, CA 95125

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38887 Road 74
Dinuba, CA 93618

Florence Reck
2111 19th Avenue
Greeley, CO 80631

Delbert L. Hooge
720 East Kearney
Springfield, MO 75803

Charlene J. Woods
2629 East Cameron Avenue
West Covina, CA 91791

Betty L. Bennett
4713 141st Place South
Bixby, OK 74008

Dorothy E. Merritt
37 Ermine Street
Little Stuckley, Huntingdon, Cambridge, UK

Joyce Rosalie Hooge
PMB 625
1001 South 10th Street, Suite G
McAllen, TX 78501

Reinhold Croissant
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Sterling, CO 80751-8602

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1323 East Bennett Avenue
Glendora, CA 91740

Roland Croissant
4775 W 4th Street
Greeley, CO 80634

Chesapeake Exploration, LLC
PO Box 18496
Oklahoma City, OK 73154-0496

Karen R. Woods and Donald D. Ziegler
1050 48th Avenue
Greeley, CO 80751

Irene Schmidt
19256 Road #37
LaSalle, CO 80645

Leona L. Croissant
704 Collingswood Drive
Ft. Collins, CO 80524

Alvina Croissant Trust
c/o Clarence Melvin Croissant, Trustee
17594 Road 41
Sterling, CO 80751

Joyce Elaine Cherry
3164 South Raleigh Street
Denver, CO 80236

Susan E. Croissant
Successor Personal Representative of the
Estate of Erma Jean (Croissant) Bergendahl
129 Park Avenue
Eaton, CO 80615

Harold J. Croissant
1311 Norcrest Drive
Highlands Ranch, CO 80126

Karl F. Crass, Jr. and Frances A. Crass
5200 Summit Ridge Drive, Apt 2113
Reno, NV 89523

Cervi Enterprises, Inc.
PO Box 1930
Greeley, CO 80632

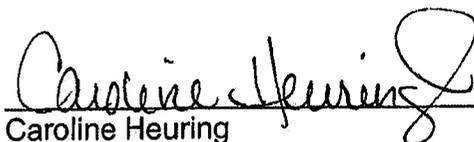
VERIFICATION

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 a 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.

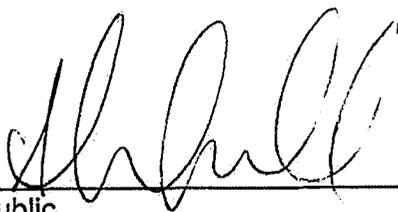
Further Affiant sayeth not.



Caroline Heuring

Subscribed and sworn to before me this 27th day of August, 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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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 August 27, 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 27th day of August, 2013.

Witness my hand and official seal.
My commission expires: 8/28/17



Notary Public

ANITA L. CULLIGAN
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 19974015528
MY COMMISSION EXPIRES AUGUST 28, 2017