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)	CAUSE NO. 407
A 320-ACRE DRILLING AND SPACING UNIT	
FOR THE NORTH PLATTE U-Y-34HNB WELL	
AND POOLING ALL INTERESTS THEREIN FOR)	
THE NIOBRARA FORMATION IN THE E/2E/2	DOCKET NO. 1310-UP
OF SECTION 34, AND W/2W/2 SECTION 35,	
TOWNSHIP 5 NORTH RANGE 63 WEST,)	
WATTENBERG FIELD, WELD)COUNTY,)	
COLORADO)	

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 U-Y-34HNB well (API # 05-123-36937), and pooling all interests therein, for the Niobrara Formation, in certain lands in the Wattenberg Field, 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/2E/2 Section 35: W/2W/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 U-Y-34HNB well (API #05-123-36937) drilled to the Niobrara Formation in the Application Lands, for production of oil, gas and associated hydrocarbons.
- 4. Applicant has drilled and is in the process of completing said well on the Application Lands.
- 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 U-Y-34HNB well for production of oil, gas and associated hydrocarbons from the Niobrara Formation.

- 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 owners listed on **Exhibit A**, who have not previously consented to lease or otherwise participate in the North Platte U-Y-34HNB well, an Authority for Expenditures ("AFE") containing all information required under Commission Rule 530.b., and, if they are unleased mineral owners, 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 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 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 U-Y-34HNB 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, 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 U-Y-34HNB well, for oil, gas and associated hydrocarbons from the Niobrara Formation consisting of the Application Lands, and pooling all in said unit for production from said Formation, under such terms as are fair, reasonable and required by law.

Dated: August 28, 2013.

LOHF SHAIMAN JACOBS HYMAN & FEIGER PC

By:

J. Michael Morgan #7279

Justin M. Plaskov #45053950

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 AND COUTY OF DENVER)		
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 his 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 27 day of August, 2013.		
Witness my hand and official seal. My commission expires: 1 - 20 - 201		
ALEXANDER S. NEWELL NOTARY PUBLIC STATE OF COLORADO NOTARY ID # 20124075431 MY COMMISSION EXPIRES NOVEMBER 20, 2016		

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, dated June 16, 1979 and Restated and Amended march 1, 20054, Doris L. Monahan, Trustee PO Box 1231 Sterling, CO 80751	Anadarko E & P Company, LP 555 17 th Street, Suite 2400 Denver, CO 80202
The Prospect Company PO Box 1100 Edmond, OK 73083	Weld County, Colorado 1150 O Street PO Box 758 Greeley, CO 80632
70 Ranch, LLC 8301 E Prentice Ave, #100 Greenwood Village, CO 80111 Estate of George Lewis Allard c/o Marc Lawrence Allard & Lewis Lee Allard as Co-Personal Representatives 5516 E CO Road 66 Wellington, CO 80549	The TH Ranch, LLC 34555 WCR 50 Kersey, CO 80644 Cottonwood Falls Homeowners Association 246001 Cottonwood Lane PO Box 726 Kersey, CO 80644
William D. Thompson, Tina R. Thompson and Jason J. Thompson, Joint Tenants 24349 Cottonwood Lane Kersey, CO 80644 Jerry L. Cutter and Mary Ann Cutter 24601 Cottonwood Lane Kersey, CO 80644	Sara M. Wagner 24595 Cottonwood Court Kersey, CO 80644 Timothy Ray Kelley and Tracy Leigh Kelley, joint tenants 24603 Cottonwood Lane Kersey, CO 80644

Trey D. Moody	William F. Sullivan and Konnie Jill Sullivan
24591 Cottonwood Court	24607 Cottonwood Lane
Kersey, CO 80644	Kersey, CO 80644
Bonanza Creek Energy Operating Company,	Prize Energy Resources, L.P.
LLC	c/o Cimarex Energy Corporation
410 17 th Street, Suite 1400	Attn: Chris Robinson
Denver, CO 80202	1700 Lincoln Street, Suite 1800
	Denver, CO 80203
Bonanza Creek Resources Company, LLC	Samuel T. Alcus III
410 17 th Street, Suite 1400	965 Harding Drive
Denver, CO 80206	New Orleans, LA 70119
Prize Energy Resources, L.P.	
6000 Ease Las Colinas Boulevard, Suite 1100	
Irving, TX 75309	
The Secretary of Housing Urban Development	Cody W. Myers and Jordan M. Myers
4400 Will Rogers Parkway, Suite 300	24605 Cottonwood Lane
Oklahoma City, OK 73108	Kersey, CO 80644
Terry L. Roland	Gary K. DeJohn
24589 Cottonwood Court	24593 Cottonwood Court
Kersey, CO 80644	Kersey, CO 80644
Juan Orta	Federal National Mortgage Association
24593 Cottonwood Court	2777 North Stemmons Freeway
Kersey, CO 80644	Dallas, TX 75207-2277
Eralio Rico	Bank of America
24587 Cottonwood Court	Successor by Merger to BAC Home Loan
Kersey, CO 80644	Servicing
	400 Countrywide Way
	Simi Valley, CA 93065

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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 U-Y-34HNB WELL AND POOLING ALL INTERESTS THEREIN FOR THE NIOBRARA FORMATION IN THE E/2E/2 OF SECTION 34, AND W/2W/2 SECTION 35, TOWNSHIP 5 NORTH RANGE 63 WEST, WATTENBERG FIELD, WELD)COUNTY, COLORADO))) CAUSE NO. 407)) DOCKET NO. 1310-UP)
AFFIDAVIT OI	MAILING
STATE OF COLORADO)) ss.	
CITY & COUNTY OF DENVER)	
J. Michael Morgan, of lawful age and being fi declares:	irst duly sworn upon his oath, states and
That he is the attorney for Bonanza Creek Er 2013, he caused a copy of the attached Verified Ap Mail, postage prepaid, addressed to the parties lister	
	lichael Morgan
d. IV	iichael Morgan
Subscribed and sworn to before me this 274	day of August, 2013
Witness my hand and official seal. My commission expires: 8-28-17	
ANITA L. CULLIGAN NOTARY PUBLIC STATE OF COLORADO NOTARY ID 19974015528 MY COMMISSION EXPIRES AUGUST 28, 2017	Andr L Cullingiary Public