

**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 ALLOWING UP  
TO THIRTY-TWO HORIZONTAL WELLS IN AN  
ESTABLISHED APPROXIMATE 640-ACRE  
DRILLING AND SPACING UNIT FOR THE  
NIOBRARA FORMATION IN SECTION 5,  
TOWNSHIP 4 NORTH, RANGE 62 WEST, 6TH  
P.M., WATTENBERG FIELD, WELD COUNTY,  
COLORADO

CAUSE NO.

DOCKET NO.

TYPE: INCREASED DENSITY

**APPLICATION**

Bonanza Creek Energy Operating Company LLC (Operator No. 8960) ("Applicant"), by and through its attorneys, Jost & Shelton Energy Group, P.C., respectfully submits this Application to the Oil and Gas Conservation Commission of the State of Colorado (the "Commission") for an order to authorize a total of up to thirty-two (32) horizontal wells in an established approximate 640-acre drilling and spacing unit, for the efficient and economic development of the oil, gas, and associated hydrocarbons from the Niobrara Formation, but only as to the Application Lands defined below:

Township 4 North, Range 62 West, 6th P.M.  
Section 5: All

Approximately 640 acres, more or less,  
Weld County, Colorado ("Application  
Lands").

In support of its Application, Applicant states and alleges as follows:

1. Applicant is a corporation duly authorized to conduct business in the State of Colorado and is an operator in good standing with the Commission.
2. Applicant owns substantial leasehold interests in the Application Lands.
3. On January 23, 2012, the Commission entered Order No. 407-538, which among other things, approves the request for an order to establish eight approximate 640-acre drilling and spacing units for the certain lands in Townships 4 and 5 North, Range 62 and Township 4 North, Range 63 West, 6th P.M., and authorize up to two horizontal wells within each unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

4. On January 7, 2013, the Commission entered Order No. 407-740, which among other things, approves the request for an order to affirm the previous spacing Order No. 407-538 as to the previously unnoticed interested parties, and approve up to ten wells within eight approximate 640-acre drilling and spacing units Sections 1, 2 and 12, Township 4 North, Range 63 West, 6th P.M., Section 5, Township 4 North, Range 62 West, 6th P.M. and Sections 17, 21, 29 and 31, Township 5 North, Range 62 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

5. Applicant requests that it be authorized to drill and complete a total of up to thirty-two (32) horizontal wells in order to efficiently and economically recover the oil, gas and associated hydrocarbons from the approximate 640-acre drilling and spacing unit established by Order No. 407-538 for Section 5, Township 4 North, Range 62 West, 6th P.M., with the treated interval of any horizontal wellbore to be no closer than wellbore to be located no closer than 460 feet from the unit boundaries, and no closer than 150 feet from the treated interval of any other wellbore located in the unit, without exception being granted by the Director.

6. The Commission records reflect that there is one (1) well producing from the Niobrara Formation in the Application Lands; the Seventy Holes J-F-5HZ Well (API No. 05-123-35850), which Applicant operates.

7. Applicant asserts that the additional wells are necessary to prevent waste, protect correlative rights, and to assure the maximum efficient recovery of oil, gas and associated hydrocarbons from the Niobrara Formation on the Application Lands.

8. That the names and addresses of the interested parties, according to the information and belief of the Applicant, are set forth in Exhibit A attached hereto and made a part hereof, and the undersigned certifies that copies of this Application shall be served on each interested party within the next seven days as required by Rule 503.e.

WHEREFORE, Applicant respectfully requests that this matter be set for the May 2015 hearing, that notice be given as required by law and that upon such hearing this Commission enter its order consistent with Applicant's proposals as set forth above.

DATED March 19, 2015.

Respectfully submitted,

**BONANZA CREEK ENERGY  
OPERATING COMPANY LLC**

By: *Zachary P. Sears*

Jamie L. Jost

Zachary P. Sears

Jost & Shelton Energy Group, P.C.

1675 Larimer Street, Suite 420

Denver, Colorado 80202

(720) 379-1812 – Main

(720) 379-1813 – Fax

jjost@jsenergygroup.com

zsears@jsenergygroup.com

Applicant's Address:

Bonanza Creek Energy LLC

ATTN: Alexander Newell

410 17<sup>th</sup> Street, Suite 1400

Denver, CO 80202

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

*[Signature]*

SALLY KROMER  
NOTARY PUBLIC  
STATE OF COLORADO  
NOTARY ID # 20144038926  
MY COMMISSION EXPIRES OCTOBER 06, 2018

July 16

IN THE MATTER OF THE APPLICATION OF  
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COLORADO

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**RACHEL FLEMING**  
**NOTARY PUBLIC**  
**STATE OF COLORADO**  
**NOTARY ID 20144025048**  
**MY COMMISSION EXPIRES JUNE 24, 2018**

**Exhibit A**  
**Interested Party List**  
**ID-Sec 5-4N-62W**

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

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

Bonanza Creek Energy Operating  
Company, LLC  
410 17<sup>th</sup> Street, Suite 1400  
Denver, CO 80202

70 Ranch, LLC  
8301 E. Prentice Ave., Suite 100  
Greenwood Village, CO 80111

Estate of George Lewis Allard, Mark  
Lawrence Allard and Lewis Lee Allard as  
Co-Personal Representatives  
5516 E. County Road 66  
Wellington, CO 80549

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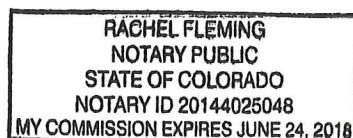
STATE OF COLORADO )  
 )ss.  
COUNTY OF DENVER )

That he is an attorney for Bonanza Creek Energy Operating Company LLC, that on or before the 26<sup>th</sup> day of March, 2015, he caused a copy of the above-captioned Application to be deposited in the United States Mail, postage prepaid, addressed to the parties listed on Exhibit A attached hereto.

  
Joseph M. Evers

Subscribed and sworn to before me this 24<sup>th</sup> day of March, 2014.

My commission expires: June 24, 2018



  
Notary Public

**Exhibit A**  
**ID - Sec 5, T4N-R62W**

Kent Kuster  
Colorado Department of  
Public Health & Environment  
4300 Cherry Creek Drive South  
Denver, CO 80246-1530

Tom Schreiner  
Energy Liaison  
Colorado Parks and Wildlife  
Northeast Regional Office  
6060 Broadway  
Denver, CO 80216

Troy Swain  
Weld County  
Department of Planning Services  
1555 North 17<sup>th</sup> Avenue  
Greeley, CO 80631