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

IN THE MATTER OF THE APPLICATION OF)	CAUSE NO. 407
BONANZA CREEK ENERGY OPERATING)	
COMPANY, LLC FOR AN ORDER TO AFFIRM)	DOCKET NO. 1301-AW-01
ORDER NO. 407-538 AND APPROVE ONE OR)	
MORE HORIZONTAL WELLS IN EIGHT)	
APPROXIMATE 640-ACRE DRILLING AND)	
SPACING UNITS IN VARIOUS SECTIONS)	
LOCATED IN TOWNSHIP 4 NORTH, RANGE 63)	
WEST, 6 TH P.M., TOWNSHIP 4 NORTH, RANGE 62)	
WEST, 6TH P.M., AND TOWNSHIP 5 NORTH,	j	
RANGE 62 WEST, 6 TH P.M. FOR THE NIOBRARA	ý	
FORMATION, WATTENBERG FIELD, WELD	Ś	
COUNTY, COLORADO	Ś	
	,	

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

On January 23, 2012, the Commission entered Order 407-538 which, among other things, established eight approximate 640-acre drilling and spacing units, and approved up to two horizontal wells within each unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation, with the treated interval of the permitted wellbore to be located no closer than 460 feet from the boundary of the unit, and no closer than 150 feet from the completed interval of another well producing from the same common source of supply. 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. are subject to this Order for the Niobrara Formation.

On October 31, 2012, Bonanza Creek Energy Operating Company LLC ("Bonanza"), by its attorneys, filed with the Commission pursuant to §34-60-116 C.R.S., a verified application ("Application") for an order to affirm Order No. 407-538 as to the previously unnoticed interested parties, and approve one or more additional horizontal wells within eight approximate 640-acre drilling and spacing units for the below-described lands ("Application Lands"), for the production of oil, gas and associated hydrocarbons from the Niobrara Formation, with the treated interval of the 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:

Township 4 North, Range 63 West, 6th P. M. Section 1, 2 and 12: All

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

Township 5 North, Range 62 West 6th P. M. Section 17, 21, 29 and 31: All

Applicant further states that horizontal wells under the requested order be drilled from no more than two surface pads per governmental half-section, as designated by the operator, with wells on each pad to be drilled at a surface location within 50 feet of an adjacent well, and with the surface location consistent with Rule 318A, absent a showing of good cause, which shall include surface owner consent.

NOTICE IS HEREBY GIVEN, pursuant to: 1) the general jurisdiction granted to the Oil and Gas Conservation Commission of the State of Colorado under § 34-60-105 C.R.S.; 2) specific powers granted pursuant to § 34-60-106 C.R.S.; 3) the Colorado Administrative Procedures Act at § 24-4-105 C.R.S.; and 4) the Commission's Series 500 Rules at 2CCR 404-1, that the Commission has scheduled the above-entitled matter for hearing on:

Date: Monday, January 7, 2013 Tuesday, January 8, 2013 Time: 9:00 a.m.

Place: Colorado Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801 Denver, Colorado 80203

In accordance with the Americans with Disabilities Act, if any party requires special accommodations as a result of a disability for this hearing, please contact Margaret Humecki at (303) 894-2100 ext. 5139, prior to the hearing and arrangements will be made.

Pursuant to said hearing in the above-entitled matter at the time and place aforesaid, or at any adjourned meeting, the Commission will enter such orders as it deems appropriate to protect the health, safety and welfare of the public and to prevent the waste of oil and gas, either or both, in the operations of said field, and to carry out the purposes of the statute.

In accordance with Rule 509., any interested party desiring to protest the granting of the application or to intervene on the application should file with the Commission a written protest or intervention no later than December 18, 2012, briefly stating the basis of the protest or intervention. Such interested party shall, at the same time, serve a copy of the protest or intervention to the person filing the application. An original and 13 copies shall be filed with the Commission. Anyone who files a protest or intervention must be able to participate in a prehearing conference during the week of December 18, 2012. Pursuant to Rule 503.g., if a party who has received notice under Rule 503.b. wishes to receive further pleadings in the above-referenced matter, that party must file a protest or intervention in accordance with these rules. In accordance with the practices of the Commission, should no protests or interventions be filed in this matter by December 18, 2012, the Applicant may request that an administrative hearing be scheduled beginning December 18, 2012. In the alternative, pursuant to Rule 511., if the matter is uncontested, the applicant may request, and the Director may recommend approval on the basis of the merits of the verified application and the supporting exhibits.

OIL AND GAS CONSERVATION COMMISSION OF THE STATE OF COLORADO

By MY

Robert J. Frick, Secretary

Dated: December 4, 2012

Colorado Oil and Gas Conservation Commission 1120 Lincoln Street, Suite 801 Denver, Colorado 80203 Website: http://cogcc.state.co.us

Phone: (303) 894-2100 Fax: (303) 894-2109 Attorneys for Bonanza:
J. Michael Morgan
Lohf Shaiman Jacobs Hyman & Feiger PC
950 South Cherry Street, Suite 900
Denver, Colorado 80246
(303) 753-9000
(303) 753-9997 (fax)
mmorgan@lohfshaiman.com