

**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 POOLING ALL )  
INTERESTS IN A 640-ACRE )  
DRILLING AND SPACING UNIT FOR THE )  
HORIZONTAL PRONGHORN T-P-4HNB WELL )  
AND FUTURE HORIZONTAL WELLS DRILLED )  
TO THE NIOBRARA FORMATION, )  
WATTENBURG FIELD AREA, SECTION 4, )  
TOWNSHIP 5 NORTH, RANGE 61 WEST, )  
WELD COUNTY, COLORADO )

CAUSE NO. 407

DOCKET NO. 1309-UP-\_\_\_\_\_

**VERIFIED APPLICATION**

COMES NOW, Bonanza Energy Operating Company LLC ("Applicant"), by its attorneys, Lohf Shaiman Jacobs Hyman & Feiger PC, and submits its Application to the Oil and Gas Conservation Commission of the State of Colorado, for an order pooling all interests in an approximate 640-acre unit for production of oil, gas and associated hydrocarbons from horizontal wells to the Niobrara Formation in certain lands in the Wattenberg Field Area, 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 640-acres (hereinafter, the "Application Lands"):

Township 5 North, Range 61 West, 6th P.M.  
Section 4

3. On November 29, 2010, the Commission issued Order 407-380, which, among other things, established the Application Lands as a 640-acre drilling and spacing unit for production of oil and gas from horizontal wells to the Niobrara Formation. Said Order applies only to production from horizontal wells in the Unit, with production from vertical and directional wells being paid in accordance with units established under Rule 318.A or other orders of the Commission.

4. On May 29, 2012, the Commission issued Order 407-633, which, among other things, allowed one or more additional horizontal wells to be drilled to the Niobrara Formation in the Application Lands.

5. Applicant has drilled and is completing the horizontal Pronghorn T-P-4HNB well on the Application Lands to the Niobrara Formation.

6. To provide notice to parties which were originally omitted, and to limit the number of horizontal wells in the unit to ten (10), the Applicant has contemporaneously filed a Verified

Application to vacate Orders 407-380 and 407-633 as they apply to the Application Lands herein, and to establish a 640-acre drilling and spacing unit consisting of the Application Lands herein, for horizontal wells to the Niobrara Formation.

7. Applicant has been unable to obtain consent to voluntary pooling by all interest owners in the Application Lands. As a result, Applicant requested that all interests in the Unit composed of the Application Lands be involuntarily pooled pursuant to C.R.S. §34-60-116 of the Colorado Oil and Gas Conservation Act.

8. The names and addresses of those persons who own any interest in the mineral estate in the Application Lands, exclusive of overriding royalty interests, according to the information and belief of the Applicant are set forth on **Exhibit A**. Copies of this Verified Application shall be served on all such owners within seven (7) days of the date of this Application, as required by Commission Rule 503.e.

9. At least thirty (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 Pronghorn T-P-4HNB well, an Authority for Expenditures (AFE) and/or supporting documents which contain all information required by Commission Rule 530.b., and in case of unleased mineral owners, an offer to lease which is reasonable based on the factors listed in Commission Rule 530.c.

10. Applicant anticipates that one or more of such owners will refuse or fail to respond to such offer to lease and/or to participate in the drilling, completion and operation of such well, and shall be deemed non-consenting parties under Commission Rule 530.b and c.

11. An order of the Commission pooling all interests in the Unit for production from horizontal wells to the Niobrara Formation shall therefore be necessary in order to afford each owner of an interest in the 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 the Unit.

12. The granting of the requested order would not be prejudicial to the owners in the Unit and would protect correlative rights.

13. 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) are first incurred by Applicant for the drilling of the Pronghorn T-P-4HNB well, whichever is first in time.

WHEREFORE, the Applicant respectfully requests this matter be set for hearing, notice be given as required by law, and upon such hearing this Commission enter its order pooling all interests in the Unit for production of oil, gas and associated hydrocarbons from horizontal wells to the Niobrara Formation, under such terms as are fair, reasonable and required by law.

Dated: July 18, 2013

**LOHF SHAIMAN JACOBS HYMAN & FEIGER PC**

By: \_\_\_\_\_

  
J. Michael Morgan #7279

Justin M. Plaskov #45053

950 South Cherry Street, Suite 900

Denver, CO 80246

(303) 753-9000; (303) 753-9997 (fax)

[mmorgan@lohfschaiman.com](mailto:mmorgan@lohfschaiman.com)

Address of Applicant:

Bonanza Creek Energy Operating Company LLC

410 17th Street, Suite 1400

Denver, CO 80202

**EXHIBIT "A"**

**TO AMENDED APPLICATION OF BONANZA COMPANY**

**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:**

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

Kaiser-Francis Oil Company  
6733 South Yale Avenue  
Tulsa OK 74136

Joan Northrup  
4408 Regal Avenue NE  
Cedar Rapids IA 52402

Martha Fosmire  
2818 Muscatine Avenue  
Iowa City, IA 52240

John R. Warren  
745 Smoke Tree Road  
Deerfield, IL 60015

Laura Blake Warren  
224 1<sup>st</sup> Mesa Drive  
Silt, CO 81652

Kristine Jane Skiba  
11223 NW Malia Lane  
Portland, OR 97229

Norman A. Foster  
3803 Ruskin Street  
Las Vegas, NV 89147

Dean F. Foster  
3803 Ruskin Street  
Las Vegas NV 89147

Robert P. Foster  
8 Anne Pickard Court  
Tijeras NM 87059

Marilyn J. Williams  
4025 W. Wethersfield Road  
Phoenix AZ 85029

Kingdon R. Hughes Family Limited Partnership  
16475 Dallas Parkway, Suite 610  
Addison TX 75001

Alvin L. Sall  
347 Dawson Drive  
Santa Clara CA 95051

Clarence Pierce Sall  
2526 18<sup>th</sup> Avenue  
Greeley CO 80631

Brenda Fay Sall  
55 Juniper Avenue 542  
Eaton CO 80615

Sandra Andersen Family Trust  
1490 East 18<sup>th</sup> Street  
Greeley CO 80631

James Foster  
P.O. Box 37  
Howard CO 81233

John Foster  
1435 L Street  
Salida CO 81201

Priscilla McNeal  
1 Forest Hills Lane  
Ft. Collins CO 80524

Centennial Mineral Holdings, LLC  
8235 Douglas Avenue, Suite 815  
Dallas TX 75225

Dennis W. Grotheer Living Trust  
28343 Redbud Road  
Asbury MO 64832

Weld County, Colorado, a political subdivision for the State of Colorado  
Acting by and through the Board of County Commissioners of the County of Weld  
1150 O Street  
P.O. Box 758  
Greeley CO 80632

Ann E. Armit, as Custodian for Julia Ann Armit  
1735 Spruce Lane  
Colorado Springs CO 80906

Ann E. Armit, as Custodian for John E. Armit  
1735 Spruce Lane  
Colorado Springs CO 80906

VERIFICATION

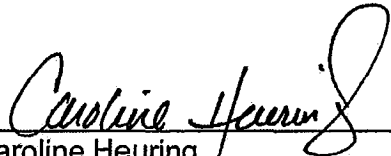
STATE OF COLORADO       )  
  ) ss.  
CITY & COUNTY OF DENVER   )

The undersigned, of lawful age, having been first sworn upon his oath, deposes and states that:

1. She is employed as 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.

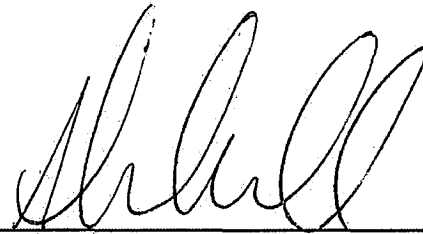
Further Affiant sayeth not.

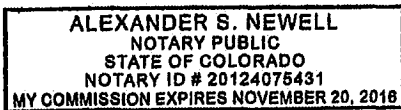
  
\_\_\_\_\_  
Caroline Heuring

Subscribed and sworn to before me this 12<sup>th</sup> day of July, 2013.

Witness my hand and official seal.

My commission expires: 11-20-2016

  
\_\_\_\_\_  
Notary Public



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

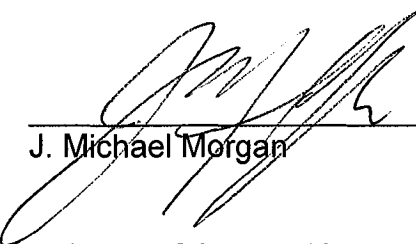
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**AFFIDAVIT OF MAILING**

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

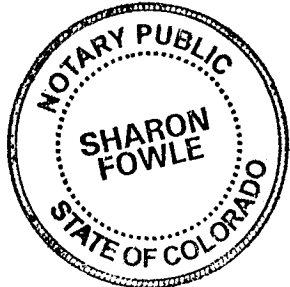
J. Michael Morgan, of lawful age and being first duly sworn upon his oath, states and declares:

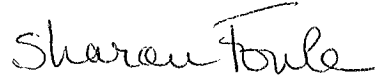
That he is the attorney for Bonanza Creek Energy Operating Company LLC in the above-captioned matter. On July 18, 2013, he caused a copy of the attached Verified Application to be deposited in the United States Mail, postage prepaid, addressed to the parties listed on **Exhibit A** to the Verified Application.

  
\_\_\_\_\_  
J. Michael Morgan

Subscribed and sworn to before me this 18th day of July, 2013.

Witness my hand and official seal.  
My commission expires: 03/05/2015



  
\_\_\_\_\_  
Notary Public