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

IN THE MATTER OF THE APPLICATION OF BONANZA CREEK ENERGY LLC FOR AN ORDER TO ESTABLISH AN APPROXIMATE 640-ACRE DRILLING AND SPACING UNIT AND APPROVE UP TO EIGHT WELLS WITHIN THE 640-ACRE DRILLING AND SPACING UNIT WITH WELL LOCATION RULES FOR THE CODELL FORMATION IN SECTION 2, TOWNSHIP 4 NORTH, RANGE 63 WEST, 6TH P.M., WATTENBERG FIELD, WELD COUNTY, COLORADO

Cause No.

Docket No.

#### **AMENDED APPLICATION**

Bonanza Creek Energy LLC ("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 establish an approximate 640-acre drilling and spacing unit and authorize up to **eight** (8) horizontal wells in order to efficiently and economically recover the oil, gas and associated hydrocarbons within said 640-acre drilling and spacing unit from the Codell Formation underlying the below-described lands. In support of its Application, Applicant states and alleges as follows:

- 1. Applicant is a corporation duly organized and authorized to conduct business in the State of Colorado.
- 2. Applicant owns leasehold interests or holds the right to operate on the following lands (hereafter "Application Lands"):

Township 4 North, Range 63 West, 6<sup>th</sup> P.M. Section 2: All

Weld County, Colorado.

- 3. Rule 318.a, specifies that a well drilled two thousand five hundred (2,500) feet or greater shall be located not less than six hundred (600) feet from any lease line. Rule 318.a. applies to the Codell Formation underlying the Application Lands.
- 4. The records of the Commission reflect that no wells are currently drilled and completed to the Codell Formation underlying Application Lands.

- 5. To promote efficient drainage within the Codell Formation of the Application Lands, to protect correlative rights and to avoid waste, the Commission should establish an approximate 640-acre exploratory drilling and spacing unit for Section 2, Township 4 North, Range 63 West, 6<sup>th</sup> P.M.
- 6. That the above-proposed drilling and spacing unit will allow efficient drainage of the Codell Formation; will prevent waste; will not adversely affect correlative rights and will assure the greatest ultimate recovery of gas and associated hydrocarbon substances from the reservoirs. The unit of the size and shape specified above is not smaller than the maximum area that can be economically and efficiently drained by the proposed wells in the unit.
- 7. That the Applicant is requesting to drill and complete up to **eight (8)** horizontal wells with the surface locations for the wells to be anywhere within the unit but no more than one (1) surface location per quarter section within the unit, unless an exception is granted by the Director or as otherwise approved by a surface owner in order to efficiently and economically recover the oil, gas and associated hydrocarbons within the 640-acre drilling and spacing unit composed of Section 2, Township 4 North, Range 63 West, 6th P.M., and that there will be no adverse effect on correlative rights of adjacent owners.
- 8. The Applicant requests that the treated interval of the proposed horizontal **wells** shall be no closer than 600 feet from the boundaries of the unit (regardless of the lease lines within the unit), unless an exception is granted by the Director.
- 9. The undersigned certifies that copies of this Application will be served on each interested party within seven (7) days of the filing hereof, as required by Rule 503.e.

WHEREFORE, Applicant respectfully requests that this matter be set for hearing at the next available opportunity, that notice be given as required by law, and that upon such hearing this Commission enter its order:

- A. Establishing an approximate 640-acre drilling and spacing unit for Section 2, Township 4 North, Range 63 West, 6<sup>th</sup> P.M. and allowing up to **eight (8) horizontal wells** in the unit in order to efficiently and economically develop and recover the oil, gas and associated hydrocarbons from of the Codell Formation in the unit.
- B. Providing that the treated interval any horizontal well shall be no closer than 600 feet from the boundaries of the unit and not less than 150 feet from the treated interval of another well within the unit, and authorizing surface locations for the wells to be anywhere within the unit but no more than one (1) surface location per quarter section, unless an exception is granted by the Director, or as otherwise approved by a surface owner.

- C. Finding that an approximate 640-acre drilling and spacing unit for the development of the Codell Formation on the Application Lands will prevent waste, protect correlative rights, and maximize the efficient and economic production of the Codell Formation in Section 2, Township 4 North, Range 63 West, 6<sup>th</sup> P.M.
- D. For such other findings and orders as the Commission may deem proper or advisable in this matter.

WHEREFORE, Applicant respectfully requests that this matter be set for hearing in July 2014, that notice be given as required by law, and that upon such hearing, the Commission enter its order consistent with Applicant's request as set forth above.

DATED this day of July, 2014.

Respectfully submitted:

Bonanza Creek Energy LLC

By:

Jamie L. Jost Joseph M. Evers

Jost & Shelton Energy Group, P.C.

Attorneys for Applicant 1675 Larimer St., Suite 420 Denver, Colorado 80202

(720) 379-1812

Applicant's Address:

Bonanza Creek Energy LLC ATTN: Caroline Heuring 410 17<sup>th</sup> Street, Suite 1400 Denver, CO 80202

## **VERIFICATION**

STATE OF COLORADO	)
CITY AND COUNTY OF DENVER	) ss. )
Caroline Heuring, of lawful age, b that she is a Landman for Bonanza (	

Caroline Heuring, of lawful age, being first duly sworn upon oath, deposes and says that she is a Landman for Bonanza Creek Energy LLC, and that she has read the foregoing Application and that the matters therein contained are true to the best of her knowledge, information and belief.

Caroline Heuring

Landman

Bonanza Creek Energy LLC

Subscribed and sworn to before me this \_\_\_\_\_\_day of July 2014.

Witness my hand and official seal.

[SEAL]

My commission expires: 9/13/20

MATTHEW W JONES
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID # 20134057901
MY COMMISSION EXPIRES SEPTEMBER 13, 2017

Notary Public

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#### AFFIDAVIT OF MAILING

STATE OF COLORADO	)	88
COUNTY OF DENVER	)	SS.

Joseph M. Evers of lawful age, and being first duly sworn upon his oath, states and declares:

That he is the attorney for Bonanza Creek Energy LLC, that on or before July 2, 2014, he caused a copy of the attached Amended 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 Aday of Aly, 2014.

Witness my hand and official seal.

My commission expires: 4/4/2014

CHARLOTTE LAWLESS **NOTARY PUBLIC** STATE OF COLORADO NOTARY ID 20144023899 MY COMMISSION EXPIRES JUNE 16, 2018 Moult fauls

#### Exhibit A

# Interested Party List Bonanza Creek Section 2, T4N-R63

Doris L. Monahan, Trustee of the Rex Monahan Family Trust, dated June 16, 1979, and Restated and Amended on March 1, 2005 P.O. Box 1231 Sterling, CO 80751

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

The TH Ranch, LLC 34555 WCR 50 Kersey, CO 80644

Rodney L. Croissant 27 Alles Drive Greeley, CO 80631

The MPT Trust P.O. Box 1732 Idaho Springs, CO 80452

Sally Ann Hooks 120 Lafayette Street Denver, CO 80218

Edward Merkle Phillips 4582 So. Ulster Street, Suite 1303 Denver, CO 80237

James Britt Phillips 4582 So. Ulster Street, Suite 1303 Denve, CO 80237

Marc Lawrence Allard 5516 East County Road 66 Wellington, CO 80540

Lewis Lee Allard 269 Garfield Street Walden, CO 80430 R & I Oil, LLC 16924 County Rd 42 LaSalle, CO 80645

Croissant Mineral Properties, LLC 134 Ptarmigan Drive Glenwood Springs, CO 81601

The Jerry D. Carlile Trust 718 Park Street, #B Sterling, CO 80751

Clarence Melvin Croissant 17594 Road 41 Sterling, CO 80751

Maxine Helen Tyrrell 1357 43rd Avenue #5 Greeley, CO 80634

Susan Elaine Croissant 129 Park Avenue Eaton, CO 80615

Kathleen Kay Miles 9843 Carr Circle Westminster, CO 80021

Kari L. Lezama 4525 W. 21st Street Drive Greeley, CO 80634

Cassandra Croissant 5401 South 12th Street, Apt. 903 Tacoma, WA 98465

Joseph Barco 129 Park Avenue Eaton, CO 80615

Ricky Lowell Croissant 2015 East 15th Street Cheyenne, WY 82001 Christopher Croissant 15419 - 58th Avenue East Puyallup, WA 98375

Benjamin Barco 129 Park Avenue Eaton, CO 80615

Shirley J. Unrein and Nancy E. Coakley, joint tenants 1142 Westview Drive Sterling, CO 80751

Florence Reck 2111 19th Avenue Greeley, CO 80631

Joyce Elaine Cherry 3164 South Raleigh Street Denver, CO 80230

Gerald L. Croissant 1323 East Bennett Ave Glendora, CA 91740

Successors or Heirs to Marvin E. Hooge No address found.

Delbert L. Hooge 1944 S. Farm Road 123 Springfield, MO 65807

Dorothy E. Merritt P.O. Box 191 Springfield, MO 65801

Betty L. Bennett 2659 E. Cameron Ave West Covina, CA 91797

Charlene J. Woods 2659 E. Cameron Ave West Covina, CA 91797

Karen Woods and Donald D. Ziegler, joint tenants 1050 48th Ave Greeley, CO 80634 Harold J. Croissant 3379 Mill Vista Rd., Unit 4513 Highlands Ranch, CO 80129

Linda Marlene Sly, aka Linda M. Sly 2258 Cedar Lake Drive Loganville, GA 30052

Eldon Troy Glenn, aka Eldon T. Glenn P.O. Box 712 Flippin, AR 72634

Coy Raymond Glenn, aka Coy R. Glenn 149 South 5th Street LaSalle, CO 80645

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

Sharon Koop 2150 W. Rue St. Michel Fresno, CA 93711

Virginia Goetz 2150 W. Rue St. Michel Fresno, CA 93711

Edwin Croissant 2150 W. Rue St. Michel Fresno, CA 93711

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

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

Kent Kuster Colorado Department of Public Health & Environment 4300 Cherry Creek Drive South Denver, CO 80246-1530 Diane Kocis
Arapahoe County Public Works and
Development
6924 South Lima Street
Centennial, CO 80112