### 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 POOL ALL INTERESTS IN AN APPROXIMATE 640-ACRE DRILLING AND SPACING UNIT LOCATED IN SECTION 10, TOWNSHIP 5 NORTH, RANGE 61 WEST, 6<sup>TH</sup> P.M., FOR THE DEVELOPMENT/OPERATION OF THE NIOBRARA FORMATION, WATTENBERG FIELD, WELD COUNTY, COLORADO

CAUSE NO.

DOCKET NO.

#### **APPLICATION**

COMES NOW Bonanza Creek Energy LLC ("Applicant"), by its attorneys, Jost & Shelton Energy Group, P.C., and makes this application to the Oil and Gas Conservation Commission of the State of Colorado ("Commission") for an order to pool all interests within an approximate 640-acre Drilling and Spacing Unit, as defined below, for the drilling of the Pronghorn K-O-10HNC Well (API No. 05-123-36583), and the Pronghorn F-J-10HNB Well (API No. 05-123-36582) ("Wells"), for the development of the Niobrara Formation on the following described lands:

Township 5 North, Range 61 West, 6<sup>th</sup> P.M. Section 10: All

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

In support thereof, Applicant states and alleges as follows:

- 1. Applicant is a corporation duly authorized to conduct business in the State of Colorado, and is a registered operator in good standing with the Commission.
  - 2. Applicant owns certain leasehold interests in the Application Lands.
- 3. On November 29, 2010, the Commission entered Order No. 407-380, which among other things, approves the request for an order establishing twenty-one approximate 640-acre drilling and spacing units for various lands in Township 5 North, Ranges 61 and 62 West, 6th P.M. and Township 6 North, Range 62 West, 6th P.M., and allowing one horizontal well in each of the units, with initial penetration of the Codell and Niobrara Formations, lateral, and bottomhole location not closer than 460 feet from the boundaries of the unit.

- 4. On May 29, 2012, the Commission entered Order No. 407-633, which among other things, approves the request for an order to allow one or more additional horizontal wells within each existing approximate 640-acre drilling and spacing unit, for certain lands in Townships 5 North, Ranges 61 and 62 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.
- 5. Applicant, pursuant to Commission Rule 530 and/or the provisions of C.R.S. § 34-60-116 (6) and (7), hereby requests an order to pool all interests within the Drilling and Spacing Unit, including but not limited to, any nonconsenting interests and leased mineral interests, in the Application Lands in the Niobrara Formation underlying the following approximate 640-acre Drilling and Spacing Unit:

Township 5 North, Range 61 West, 6<sup>th</sup> P.M. Section 10: All

(throughout as "Drilling and Spacing Unit").

- 6. Applicant requests that the Commission's pooling order be made effective as of the earlier of the date of this Application, or the date that the costs specified in C.R.S. § 34-60-116(7)(b) are first incurred for the drilling of the Pronghorn K-O-10HNC Well (API No. 05-123-36583), or the Pronghorn F-J-10HNB Well (API No. 05-123-36582) to the Niobrara Formation on the Application Lands.
- 7. Applicant certifies that copies of this Application will be served on all persons owning an interest in the mineral estate of the tracts to be pooled, including leased mineral interest owners, within seven (7) days of the date hereof, as required by Rule 507.b(2), and that at least thirty (30) days prior to the hearing on this matter, each such interest owner not already leased or voluntarily pooled will be offered the opportunity to lease, or to participate in the drilling of the Wells, and will be provided with the information required by Rule 530 as applicable. The list of such interested parties is attached hereto as Exhibit A.
- 8. That in order to prevent waste and to protect correlative rights, all interests in each of the Drilling and Spacing Unit should be pooled for the orderly development of the Niobrara Formation, including any nonconsenting interests therein.

WHEREFORE, Applicant 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, the Commission enter its order:

- A. Pooling all interests in an approximate 640-acre Drilling and Spacing Unit established on Application Lands for the development of the Niobrara Formation.
- B. Providing that the Commission's pooling order is made effective as of the earlier of the date of this Application, or the date that any of the costs specified in

C.R.S. § 34-60-116(7)(b) are first incurred for the drilling of the Pronghorn K-O-10HNC Well (API No. 05-123-36583), or the Pronghorn F-J-10HNB Well (API No. 05-123-36582) to the Niobrara Formation on the Application Lands.

- C. Providing that the interests of any owners with whom the Applicant has been unable to secure a lease or other agreement to participate in the drilling of the Wells are pooled by operation of statute, pursuant to C.R.S. § 34-60-116(6) and (7), and made subject to the cost recovery provisions thereof with respect to the Wells drilled to develop the Niobrara Formation in the Drilling and Spacing Unit comprising the Application Lands.
- D. Providing that this pooling order is applicable to all additional wells that may be drilled within the Drilling and Spacing Unit comprising the Application Lands.
- E. 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: May 29<sup>th</sup>, 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 Street, 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. )
says that he is a Landman for Bonanza	e, being first duly sworn upon oath, deposes and Creek Energy LLC, and that he has read the rs therein contained are true to the best of his  Alexander S. Newell Landman Bonanza Creek Energy LLC
Subscribed and sworn to before me this	2914 day of May 2014.
Witness my hand and official seal.	MATTHEW W. JONES
[SEAL]	NOTARY PUBLIC STATE OF COLORADO NOTARY ID # 20134057901 MY COMMISSION EXPIRES SEPTEMBER 13, 2017
My commission expires: 9/13/2017	Most W. Jus

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CAUSE NO.

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#### **AFFIDAVIT OF MAILING**

STATE OF COLORADO	
	)ss
CITY AND COUNTY OF DENVER	)

I, Jamie Jost of lawful age, and being first duly sworn upon my oath, state and declare that I am the attorney for Bonanza Creek Energy LLC, and that on or before the 5<sup>th</sup> day of June, 2014, I caused a copy of the attached Application to be deposited in the United States Mail, postage prepaid, addressed to the parties listed on Exhibit A to the Application.

Jamie L. Jost

Subscribed and sworn to before me on this 29 day of May, 2014.

Witness my hand and official seal.

My commission expires:

Notary Public

DANIELLE E CARROLL
Notary Public
State of Colorado
Notary ID 20134059312
Mary Commission Expires Sep 18, 2017

# Exhibit A Interested Party List Pronghorn K-O-10HNC, Pronghorn F-J-10HNB

ConocoPhillips Company 3300 North "A" Street Midland, TX 79705

Wells Fargo Bank, N.A., f/k/a First Interstate Bank of Denver, Trustee of the Family Trust under the Will of M.A. Bresnahan P.O. Box 5383 Denver, CO 80201

Heirs of P.E. Williams 6207 Lamar Street Arvada, CO 80003

Dianne Ross 36881 Rd. 422 Oakhurst, CA 93644

Jean LeVan Magoffin 21028 Barrett Smith Rd. Dulzura, CA 91917

WYOCO Royalty Partners LLC P.O. Box 280969 Lakewood, CO 80228

The John D. Stephenson Family Trust 1575 Ocean Shore Blvd. #602 Ormand, FL 32176

Kathryn B. Stahlman and Robbin L. Peppler, as Co-Trustees of the Grandchildren's Trust I 7251 West 20th Street, Bldg. D-1 Greeley, CO 80634

Richard J. Bartels and Robbin L. Peppler, as Co-Trustees of the Grandchildren's Trust II 7251 West 20th Street, Bldg. D-1 Greeley, CO 80634

Robert D. Wellman 485 High Street Denver, CO 80218 Deanne M. Owre 4 Taber Hill Road North Smithfield, RI 02896

Charles W. Wellman 13747 Rockpoint, Unit 102 Broomfield, CO 80023

Kristin Zinis 1300 South St. Paul Street Denver, CO 80210

Nina Bonn 978 East Irwin Place Centennial, CO 80122

Andrew Wellman 13747 Rockpoint, Unit 102 Broomfield, CO 80023

Paul Wellman 13747 Rockpoint, Unit 102 Broomfield, CO 80023

Ella Brown 485 High Street Denver, CO 80218

Mary Wellman 485 High Street Denver, CO 80218

Jay Wellman 485 High Street Denver, CO 80218

Nancy Lee Aston 2914 East Snowberry Lane Spokane, WA 99223

John R. Moran, Jr. and Wells Fargo Bank, N.A., as Co-Trustees of the Moran Family Minerals Trust P.O. Box 5383 Denver, CO 80217 John Herbert Beyers, Jr. 6918 Hidden Brook Lane Citrus Heigths, CA 95621

Lance A. Julander 4185 South Oneida Street Denver, CO 80237

Larry Jarboe Davis 222 Cove Road Inglis, FL 34449

James Fletcher Davis 9511 Belleview Avenue Kansas City, MO 64114-3838

Debbie D. Legrotte 7915 Colonial Drive Prairie Village, KS 66204

Heirs or Devisees of Irene M. LeVan 12242 Bannock Circle, Unit E West Minster, CO 80234

Audrey Kathryn Buck 706 Huber Street Festus. MO 63028

Dorothy Jean Baker P.O. Box 975 Palm City, FL 34991

Geraldine Nelson 1619 South Yale Wichita, KS 67218

Cynthia Lou Satriano 917 Nakomis Dr. NE #B Albuquerque, NM 87112 Claudia Lea Satriano 956 12th Street Imperial Beach, CA 92116-3122

Christopher Lynn Satriano 1261 S Monaco Pkwy Denver, CO 80224-1881

Pamela Jean Stephens-Quint 4468 Utah St San Diego, CA 92116

McCulliss Oil and Gas, Inc. P.O. Box 221515 Denver, CO 80222

Paul L. McCulliss P.O. Box 3248 Littleton, CO 80161

George G. Vaught, Jr. P.O. Box 13557 Denver, CO 80201

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

Tracker Resources Development III,LLC 1050 17<sup>th</sup> Street, Suite 2200 Denver, CO 80265

Katherine S. Shannon 111 Emerson Street, #1743 Denver, CO 80218

Robert S. McLandress 423 North 23rd Street Council Bluffs, IA 51501