

**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 TWO
APPROXIMATE 320-ACRE DESIGNATED
HORIZONTAL WELLBORE SPACING UNITS
LOCATED IN SECTION 2, TOWNSHIP 5
NORTH, RANGE 62 WEST, 6TH P.M. AND
SECTION 35, TOWNSHIP 6 NORTH, RANGE 62
WEST, 6TH 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 – Operator No. 8960 (“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 two (2) approximate 320-acre designated horizontal Wellbore Spacing Units (“WSU”), as defined below, for the drilling of the State Antelope #A-U-2HNB Well (API No. 05-123-41071), and the State Antelope #A11-U41-2HNC Well (API No. 05-123-41072) (collectively “Wells”), for the development of the Niobrara Formation on the following described lands:

Township 5 North, Range 62 West, 6th P.M.
Section 2: N $\frac{1}{2}$ N $\frac{1}{2}$

Township 6 North, Range 62 West, 6th P.M.
Section 35: S $\frac{1}{2}$ S $\frac{1}{2}$

320 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 April 27, 1998, the Commission adopted Rule 318A, which among other things, allowed certain drilling locations to be utilized to drill or twin a well,

deepen a well or recomplete a well and to commingle any or all of the Cretaceous Age Formations from the base of the Dakota Formation to the surface. On December 5, 2005, Rule 318A was amended to allow interior infill and boundary wells to be drilled and wellbore spacing units to be established. On August 8, 2011, Rule 318A was again amended to, among other things, address the drilling of horizontal wells.

4. On November 29, 2010, the Commission entered Order No. 407-380, which among other things, approved 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.

5. On February 22, 2011, the Commission entered Order No. 535-4, which, among other things, approved the request for an order to establish seventy-four (74) approximate 640-acre drilling and spacing units for certain lands in Townships 4, 5 and 6 North, Ranges 61 and 62, 6th P.M., and allow one horizontal well in each unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation. and Approves the request to correct Order No. 535-4 by correcting references to Rule 318.a. to Rule 318A, and correcting the boundary setbacks from 600 feet to 460 feet, consistent with Rule 318A. Order No. 535-4 does not affect this Application.

6. On May 29, 2012, the Commission entered Order No. 407-633 which, among other things, approved 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. Order No. 407-633 does not affect this Application.

7. On July 29, 2013, the Commission entered Order No. 535-381 which, among other things, approved the request for an order to: 1) approve an additional seven horizontal wells, for a total of up to eight horizontal wells, within an approximate 640-acre drilling and spacing unit consisting of Section 35, Township 6 North, Range 62 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Niobrara Formation; and 2) establish an approximate 640-acre drilling and spacing unit consisting of the above lands and approve up to four horizontal wells within the unit, for the production of oil, gas, and associated hydrocarbons from the Codell Formation. Order No. 535-381 does not affect this Application.

8. On January 27, 2014, the Commission entered Order No. 407-914 which, among other things, approved the request for an order to pool all interests in an approximate 640-acre drilling and spacing unit established for Section 35, Township 6 North, range 62 West, 6th P.M., for the development and operation of the Codell and Niobrara Formations. Order No. 407-914 does not affect this Application.

9. On March 17, 2014, the Commission entered Order No. 407-945 which, among other things, approved the request for an order to: 1) maintain two approximate 640-acre drilling and spacing units established for Sections 34 and 35, Township 6 North, Range 62 West, 6th P.M., for the production of oil, gas and associated hydrocarbons produced from existing wells completed in the Niobrara Formation; 2) vacate Order Nos. 407-821 and 535-381; 3) establish an approximate 1,280-acre drilling and spacing unit for Section 34 and 35, Township 6 North, Range 62 West, 6th P.M., and approve a total of up to 16 horizontal wells, within the unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation. Order No. 407-495 does not affect this Application.

10. Applicant designated the approximate 320-acre horizontal Wellbore Spacing Units for the production of oil, gas, and associated hydrocarbons from the Niobrara Formation pursuant to Rule 318A and notified the appropriate parties under Rule 318A.

11. 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 Wellbore 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 320-acre Wellbore Spacing Units:

Township 5 North, Range 62 West, 6th P.M. (WSU #1)
Section 2: N½N½

Township 6 North, Range 62 West, 6th P.M.
Section 35: S½S½

12. 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 State Antelope #A-U-2HNB Well (API No. 05-123-41071) to the Niobrara Formation on the Application Lands.

13. 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 Wellbore 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 320-acre Wellbore Spacing Unit:

Township 5 North, Range 62 West, 6th P.M. (WSU #2)
Section 2: N½N½

Township 6 North, Range 62 West, 6th P.M.
Section 35: S½S½

14. 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 State Antelope #A11-U41-2HNC Well (API No. 05-123-41072) to the Niobrara Formation on the Application Lands.

15. 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-five (35) 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.

16. That in order to prevent waste and to protect correlative rights, all interests in each of the Wellbore Spacing Units 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 two (2) approximate 320-acre designated horizontal Wellbore Spacing Units 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 State Antelope #A-U-2HNB Well (API No. 05-123-41071), or the State Antelope #A11-U41-2HNC Well (API No. 05-123-41072) 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 Wellbore Spacing Units comprising the Application Lands.

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 April 2015, that notice be given as required by law, and that upon such

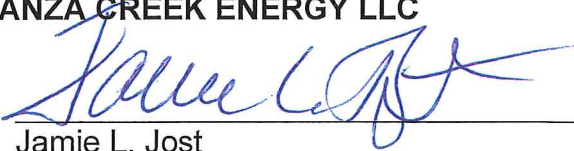
hearing, the Commission enter its order consistent with Applicant's request as set forth above.

Dated: February 12, 2015.

Respectfully submitted:

BONANZA CREEK ENERGY LLC

By:

A handwritten signature in blue ink, appearing to read "Jamie L. Jost", is written over a horizontal line.

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: Juan Bustillos


410 17th Street, Suite 1400

Denver, CO 80202

VERIFICATION

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

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

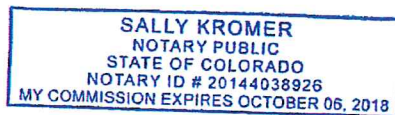


Juan Bustillos
Landman
Bonanza Creek Energy LLC

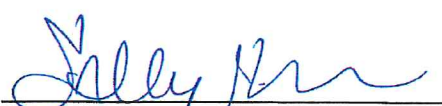
Subscribed and sworn to before me this 12 day of February 2015.

Witness my hand and official seal.

[SEAL]



My commission expires: 10-06-2018




Notary Public

IN THE MATTER OF THE APPLICATION OF
BONANZA CREEK ENERGY LLC, FOR AN
ORDER TO POOL ALL INTERESTS IN TWO
APPROXIMATE 320-ACRE DESIGNATED
HORIZONTAL WELLBORE SPACING UNITS
LOCATED IN SECTION 2, TOWNSHIP 5
NORTH, RANGE 62 WEST, 6TH P.M. AND
SECTION 35, TOWNSHIP 6 NORTH, RANGE 62
WEST, 6TH P.M. FOR THE
DEVELOPMENT/OPERATION OF THE
NIOBRARA FORMATION, WATTENBERG
FIELD, WELD COUNTY, COLORADO

DOCKET NO.

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


Jamie L. Jost

Subscribed and sworn to before me on this 12th day of February, 2015.

My commission expires: 06/16/2018



Exhibit A
Interested Party List
FP-State Antelope #A-U-2HNB and State Antelope #A11-U41-2HNC

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

**State of Colorado, acting by and through
the State Board of Land Commissioners**
1127 Sherman Street, Suite 300
Denver, CO 80203

Bill Barrett Corporation
1099 18th Street, Suite 2300
Denver, CO 80202

**Richard B. Dyke, Jr. 1975 Trust, Richard Burt Dyke, Jr.,
Laura Dyke Jackson, and Mbank Austin, N.A., Co-Trustees**
Address Unknown

Reed-George Land & Minerals, Ltd.
P.O. Drawer 310
Bastrop, TX 78602

**Susan Dyke Paulette 1975 Trust, Richard Burt Dyke, Jr.,
Laura Dyke Jackson, and Mbank Austin, N.A., Co-Trustees**
Address Unknown

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

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

Laura Dyke Jackson
7505 Morningside
Houston, TX 77030

Ruth Reed Dyke
6045 McKeon Ponderosa Way
Foresthill, CA 95631

Clayton Wentworth Eifler

1123 Jack Pine
San Antonio, TX 78232

Gus K. Eifler III, Trust, c/o Gus Kearney Eifler, III, Trustee

3701 Chevy Chase Drive
Houston, TX 77019

ZRC Minerals, LP

P.O. Box 570174
Houston, TX 77257-0174

Osprey Resources, Inc.

1010 Lamar, Suite 1570
Houston, TX 77002

Freeman Investments, a partnership

3415 S. Clayton Blvd.
Englewood, CO 80110

Steven G. Shaddock

925 Saint Andrews Lane
Louisville, CO 80027

Acoma Energy, LLC

3801 E. Florida Ave., Suite 508
Denver, CO 80210

Beth and Ken Karmin Family Trust

1555 Capri Drive
Pacific Palisades, CA 90272

Beauleo Minerals, LLC

5 Brighton Way
Farmington, CT 06032

Reed-George Land & Minerals, Ltd.

P.O. Drawer 310
Bastrop, TX 78602