

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

IN THE MATTER OF THE APPLICATION OF BONANZA ) CAUSE NO. 407 & 535  
CREEK ENERGY OPERATING COMPANY LLC FOR )  
AN ORDER TO POOL ALL INTERESTS IN AN ) DOCKET NO. 1309-UP-176  
APPROXIMATE 640-ACRE DRILLING AND SPACING )  
UNIT ESTABLISHED FOR SECTION 4, TOWNSHIP 5 )  
NORTH, RANGE 61 WEST, 6<sup>TH</sup> P.M., FOR THE )  
NIOBRARA FORMATION, WATTENBERG FIELD, )  
WELD COUNTY, COLORADO )

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

On November 29, 2010, the Commission entered Order No. 407-380 which, among other things, established 15 approximate 640-acre drilling and spacing units, and approved one horizontal well within each unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation. Section 4, Township 5 North, Range 61 West, 6<sup>th</sup> P.M. is subject to this Order for the Niobrara Formation.

On May 29, 2012, the Commission entered Order No. 407-633 which, among other things, approved one or more additional horizontal wells within each of fifteen approximate 640-acre drilling and spacing units, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation. Section 4, Township 5 North, Range 61 West, 6<sup>th</sup> P.M. is subject to this Order for the Niobrara Formation.

On July 18, 2013 (**Amended on August 16, 2013**), Bonanza Creek Energy Operating Company LLC ("Bonanza" or "Applicant"), by its attorneys, filed with the Commission pursuant to §34-60-116 C.R.S., a concurrent spacing application ("Concurrent Application"), Docket No. 1309-SP-1153, for an order to: 1) vacate an approximate 640-acre drilling and spacing unit established by Order Nos. 407-380 and 407-633 for Section 4, Township 5 North, Range 61 West, 6<sup>th</sup> P.M.; and 2) establish an approximate 640-acre drilling and spacing unit for the below-described lands ("Application Lands") and approve up to ten horizontal wells within the unit for the production of oil, gas and associated hydrocarbons from the Niobrara Formation, **with production from existing vertical and directional wells, including the existing Pronghorn 31-4 well (API No. 05-123-23929) and the Pronghorn 14-4 well (API No. 05-123-22430) continuing to pay in accordance with units established under Rule 318A or other prior orders of the Commission.**

On July 18, 2013, Bonanza, by its attorneys, filed with the Commission pursuant to §34-60-116, C.R.S., a verified application ("Application") for an order to pool all interests in an approximate 640-acre drilling and spacing unit established for the below-described Application Lands, for the development and operation **of horizontal wells to the Niobrara Formation**, effective as of the earlier of the date of the Application, or the date that any of the costs specified in C.R.S. §34-60-116(7)(b)(II) were first incurred for the drilling of the Pronghorn T-P-4HNB (API No. 05-123-36626) ("Well"), and to subject any nonconsenting interests to the cost recovery provisions of C.R.S. §34-60-116(7):

Township 5 North, Range 61 West, 6<sup>th</sup> P.M.  
Section 4: All

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 State Administrative Procedures Act at §24-4-105 C.R.S.; and 4) the Commission's Series 500 Rules at 2 CCR 404-1, that the Commission has scheduled the above-entitled matter for hearing on:

Date: Monday, September 16, 2013  
Tuesday, September 17, 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 August 30, 2013, 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. One electronic (cogcc.hearings\_unit@state.co.us), one original and two 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 September 3, 2013.** 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 **August 30, 2013, the Applicant may request that an administrative hearing be scheduled beginning September 3, 2013.** 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   
Robert J. Frick, Secretary

Dated: August 16, 2013

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@lohshaiman.com](mailto:mmorgan@lohshaiman.com)