

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

IN THE MATTER OF THE PROMULGATION AND ) CAUSE NO. 407  
ESTABLISHMENT OF FIELD RULES TO )  
GOVERN OPERATIONS FOR THE NIOBRARA ) DOCKET NO. 150700401  
FORMATION, WATTENBERG FIELD, WELD )  
COUNTY, COLORADO ) TYPE: POOLING

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

APPLICATION LANDS

Township 5 North, Range 61 West, 6<sup>th</sup> P.M.  
Section 6: W $\frac{1}{2}$ W $\frac{1}{2}$

Township 5 North, Range 62 West, 6<sup>th</sup> P.M.  
Section 1: E $\frac{1}{2}$ E $\frac{1}{2}$

Township 6 North, Range 61 West, 6<sup>th</sup> P.M.  
Section 31: W $\frac{1}{2}$ W $\frac{1}{2}$

Township 6 North, Range 62 West, 6<sup>th</sup> P.M.  
Section 36: E $\frac{1}{2}$ E $\frac{1}{2}$

APPLICATION

On May 21, 2015, Bonanza Creek Energy Operating Company LLC (Operator No. 8960) ("Bonanza" or "Applicant") filed a verified application pursuant to §34-60-116, C.R.S., for an order to:

- 1) Pool all interests in an approximate 630-acre designated horizontal wellbore spacing unit established for the Application Lands, for the development and operation of the Niobrara Formation; and
- 2) Subject any nonconsenting interests to the cost recovery provisions of §34-60-116(7), C.R.S., effective as of the earlier of the date of the Application, or the date that any of the costs specified in §34-60-116(7)(b), C.R.S., were first incurred for the drilling of the State Antelope Y-1-36XRLNB Well (API No. 05-123-41155).

APPLICABLE RULES AND ORDERS

(available online at: <http://cogcc.state.co.us>, under "ORDERS")

- On April 27, 1998, the Commission adopted Rule 318A, the Greater Wattenberg Area Special Well Location, Spacing and Unit Designation Rule.

- 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, 6<sup>th</sup> P.M. and Township 6 North, Range 62 West, 6<sup>th</sup> P.M., and allowing one horizontal well in each of the units, for the development of the Codell and Niobrara Formations. Order No. 407-380 has since been vacated as it applies to the Application Lands.
- On December 12, 2011, the Commission entered Order No. 407-514 & 535-104, which among other things, approves the request for an order to establish 1) three approximate 1,280-acre drilling and spacing units for lands in Township 2 and 7 North, Ranges 60, 63 and 64 West, 6<sup>th</sup> P.M.; 2) seven approximate 640-acre drilling units for lands in Townships 1, 6, 7 and 11 North, Ranges 58, 60, 61, 62 and 64 West, 6<sup>th</sup> P.M.; and 3) approve one horizontal well within each unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.
- 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, 6<sup>th</sup> P.M., for the production of oil, gas and associated hydrocarbons from the Niobrara Formation. Order No. 407-633 has since been vacated as it applies to the Application Lands.
- On July 29, 2013, the Commission entered Order No. 407-814, which among other things, approves the request for an order to 1) vacate the approximate 640-acre drilling and spacing unit established by Order Nos. 407-380 and 407-633 for Section 6, Township 5 North, Range 61 West, 6<sup>th</sup> P.M.; and 2) establish an approximate 640-acre drilling and spacing unit consisting of Section 6, Township 5 North, Range 61 West, 6<sup>th</sup> P.M., and approve up to ten horizontal wells within the unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.
- On October 28, 2013, the Commission entered Order No. 407-885, which among other things, approves the request for an order to pool all interests in an approximate 640-acre drilling and spacing unit established for Section 6, Township 5 North, Range 61 West, 6<sup>th</sup> P.M., for the development and operation of horizontal wells to the Niobrara Formation.
- On June 17, 2014, the Commission entered Order No. 407-1079, which among other things, approves the request for an order to 1) allow up to eight horizontal wells within an approximate 640-acre drilling and spacing unit; and 2) pool all interests within the approximate 640-acre drilling and spacing unit, for the development of the Niobrara Formation.

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, July 20, 2015  
Tuesday, July 21, 2015

Time: 9:00 a.m.

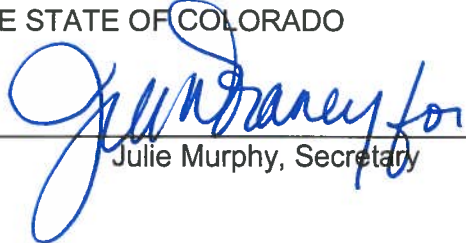
Place: Colorado Oil and Gas Conservation Commission  
1120 Lincoln St., Suite 801  
Denver, Colorado 80203

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.

At hearing, the Commission will consider the Application and enter an order pursuant to its authority under the statute. Any interested party desiring to protest or intervene should file with the Commission a written protest or intervention in accordance with Rule 509, no later than July 6, 2015. 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 July 6, 2015. Pursuant to Rule 511, if the matter is uncontested, it may be approved without a hearing.

OIL AND GAS CONSERVATION COMMISSION  
OF THE STATE OF COLORADO

By \_\_\_\_\_



Julie Murphy, Secretary

Dated: June 11, 2015

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