

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

IN THE MATTER OF THE APPLICATION OF  
BONANZA CREEK ENERGY OPERATING  
COMPANY LLC, FOR AN ORDER ALLOWING UP  
TO EIGHT (8) HORIZONTAL WELLS IN AN  
ESTABLISHED APPROXIMATE 640-ACRE  
DRILLING AND SPACING UNIT FOR THE  
NIOBRARA FORMATION IN SECTION 10,  
TOWNSHIP 4 NORTH, RANGE 63 WEST, 6TH  
P.M., WATTENBERG FIELD, WELD COUNTY,  
COLORADO

CAUSE NO.

DOCKET NO.

TYPE: INCREASED DENSITY

**APPLICATION**

Bonanza Creek Energy Operating Company LLC (Operator No. 8960) ("Applicant"), by and through its attorneys, Burleson LLP, respectfully submits this Application to the Oil and Gas Conservation Commission of the State of Colorado (the "Commission") for an order to authorize a total of up to eight (8) horizontal wells in an established approximate 640-acre drilling and spacing unit, for the efficient and economic development of the oil, gas, and associated hydrocarbons from the Niobrara Formation, but only as to the Application Lands defined below:

Township 4 North, Range 63 West, 6th P.M.  
Section 10: All

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

In support of its Application, Applicant states and alleges as follows:

1. Applicant is a corporation duly authorized to conduct business in the State of Colorado and is an operator in good standing with the Commission.
2. Applicant owns substantial 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 drilling of horizontal wells but did not prohibit the establishment of drilling and spacing units within the Greater Wattenberg Area.

4. On December 12, 2011, the Commission entered Order No. 407-528, which among other things, approved the request for an order to establish 51 approximate 640-acre drilling and spacing units for lands in Townships 1, 2, 3, 4 and 7 North, Ranges 61, 62 and 63 West, 6th P.M., and approve two horizontal wells within each unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

5. Applicant requests that it be authorized to drill and complete a total of up to eight (8) horizontal wells, subject to the drilling and spacing windows in Rule 318A (unless an exception is granted by the director), in order to efficiently and economically recover the oil, gas and associated hydrocarbons from the approximate 640-acre drilling and spacing unit established by Order No. 407-528 for Section 10, Township 4 North, Range 63 West, 6th P.M., with the treated interval of any horizontal wellbore to be no closer than 460 feet from the unit boundaries, and no closer than 150 feet from the treated interval of any other wellbore located in the unit, without exception being granted by the Director.

6. The Commission records reflect that there are no wells currently producing from the Niobrara Formation in the Application Lands.

7. Applicant asserts that the additional wells are necessary to prevent waste, protect correlative rights, and to assure the maximum efficient recovery of oil, gas and associated hydrocarbons from the Niobrara Formation on the Application Lands.

8. That the names and addresses of the interested parties, according to the information and belief of the Applicant, are set forth in Exhibit A attached hereto and made a part hereof, and the undersigned certifies that copies of this Application shall be served on each interested party within the next seven days as required by Rule 503.e.

WHEREFORE, Applicant respectfully requests that this matter be set for the May 2015 hearing, that notice be given as required by law and that upon such hearing this Commission enter its order consistent with Applicant's proposals as set forth above.

DATED October 7, 2015.

Respectfully submitted,

**BONANZA CREEK ENERGY  
OPERATING COMPANY LLC**

By: 

Jamie L. Jost

Joseph M. Evers

Burleson LLP

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Applicant's Address:


Bonanza Creek Energy Operating Company LLC

ATTN: Max Faith

410 17<sup>th</sup> Street, Suite 1400

Denver, CO 80202

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

  
Maxwell Faith  
Land Manager – Rocky Mountain Region  
Bonanza Creek Energy Operating Company LLC

Caroline Heering

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

That she is the attorney for Bonanza Creek Energy LLC, that on or before October 13, 2015, she 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.

  
Notary Public

**Exhibit A**  
**ID – Sec. 10 T4N-R63W**

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

Noble Energy Exploration, Inc.  
1625 Broadway, Suite 2200  
Denver, CO 80202

OOGC America, Inc.  
11700 Katy Freeway, Suite 280  
Houston, TX 7079

Croke Revocable Trust  
PO Box 658  
June Lake, CA 93529

Croke Minerals Irrevocable Trust  
PO Box 658  
June Lake, CA 93529

Red Willow Production, LLC  
116 Mouache Dr.  
Ignacio, CO 81137

Bill Barrett Corporation  
1099 18<sup>th</sup> Street, Suite 2300  
Denver, CO 80202

JP Taylor Properties LLC  
1750 Lafayette St.  
Denver, CO 80218

TH Ranch LLC  
34555 County Road 50  
Kersey, CO 80644

Cervi Enterprises  
PO Box 1930  
Greeley, CO 80632

H. Gordon Johnson  
3502 Rangeview Rd.  
Greeley, CO 80634

United States of America  
5555 East Crossroads Blvd.  
Loveland, CO 80538

Kent Kuster  
Colorado Department of  
Public Health and Environment  
4300 Cherry Creek Drive South  
Denver, CO 80246-1530

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

Troy Swain  
Weld County  
Department of Planning Services  
1555 North 17<sup>th</sup> Avenue  
Greeley, CO 80631