

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

IN THE MATTER OF PROMULGATION AND) CAUSE NO. 407
ESTABLISHMENT OF FIELD RULES TO)
GOVERN OPERATIONS FOR THE NIOBRARA) DOCKET NO. 160700262
FORMATION, WATTENBERG FIELD, WELD)
COUNTY, COLORADO) TYPE: Spacing

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

APPLICATION LANDS

Township 5 North, Range 62 West, 6th P.M.

Section 11: All
Section 14: All

On May 19, 2016, Bonanza Creek Energy Operating Co., LLC (Operator #9860) ("Bonanza Creek" or "Applicant") filed a verified application pursuant to §34-60-116, C.R.S., for an order to:

1) Vacate Order No. 407-535 which previously established an approximate 640-acre drilling and spacing unit for Section 11, Township 5 North, Range 62 West, 6th P.M., with authority to drill one horizontal well within the unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

2) Establish an approximate 1,280-acre drilling and spacing unit for the Application Lands, and authorizing the drilling of ten (10) horizontal wells within the proposed unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation, with the treated intervals of any horizontal well permitted under this Application located not less than 460 feet from unit boundaries and not less than 150 feet from any other well producing or drilling from the Niobrara Formation, without exception being granted by the Director, with any permitted well located on no more than four multi-well pads within the drilling and spacing unit from Rule 318A drilling windows, or on adjacent lands with surface owner consent, without exception being granted by the Director.

3) Maintain allocation of proceeds for any existing wells located within the proposed unit and producing from the Niobrara Formation.

PRIOR RULES AND ORDERS

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

- On January 23, 2012, the Commission entered Order No. 407-535 which, among other things, established an approximate 640-acre drilling and spacing unit for Section 11, Township 5 North, Range 62 West, 6th P.M., and approved the drilling of one horizontal well within the unit, for the production of oil, gas and associated

hydrocarbons from the Niobrara Formation, with the permitted well to be located no closer than 600 feet from unit boundaries.

- On January 23, 2012, the Commission entered Order No. 407-536 which, among other things, established an approximate 640-acre drilling and spacing unit for Section 14, Township 5 North, Range 62 West, 6th P.M., and approved the drilling of one horizontal well within the unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation, with the permitted well to be located no closer than 600 feet from unit boundaries.
- On January 26, 2015, the Commission entered Order No. 407-1213 which, among other things, vacated the approximate 640-acre drilling and spacing unit established by Order No. 407-536 for Section 14, Township 5 North, Range 62 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.
- On April 27, 1988, 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 Cretaceous Age Formations from the base of the Dakota Formation to the surface. Rule 318A supersedes all prior Commission drilling and spacing orders affecting well location and density requirements of Greater Wattenberg Area wells. On December 5, 2005, Rule 318A was amended, among other things, 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, among other things, to address drilling of horizontal wells. The Application Lands are subject to Rule 318A for the Niobrara Formation.

NOTICE IS HEREBY GIVEN, pursuant to §§ 34-60-101 to -130, C.R.S. and the Commission's Rules of Practice and Procedure, 2 CCR 404-1, that the Commission has scheduled this matter for hearing on:

Date: July 18-20, 2016

Time: 9:00 a.m.

Place for July 18: Colorado Mountain College
1402 Blake Avenue
Senior Center Room
Glenwood Springs, CO 81601

Place for July 19-20: Glenwood Springs Community Center
100 Wulfsohn Road
Sopris Rooms A & B
Glenwood Springs, CO 81601

Additional information about the hearing on this Application will be in the Commission's Agenda, which is posted on the Commission website approximately 3 days before the hearing.

In accordance with 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 accommodations will be made.

At hearing, the Commission will consider the Application and enter an order pursuant to authority under statutes. **Any interested party desired to protest or intervention should file with the Commission a written protest or intervention in accordance with Rule 509. no later than July 1, 2016.** Such interested party shall, at the same time, serve a copy of the protest of 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 4, 2016.** Pursuant to Rule 511., if the matter is contested, it may be approved without a hearing.

OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF COLORADO

By:  _____
Julie Murphy, Secretary

Dated: June 8, 2016

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