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

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IN THE MATTER OF THE APPLICATION OF BONANZA CREEK ENERGY OPERATING CO., LLC, FOR AN ORDER POOLING ALL INTERESTS WITHIN THE APPROXIMATE 640-ACRE RULE 318A. HORIZONTAL WELLBORE SPACING UNIT ESTABLISHED FOR N½ S½ & S½ N½ OF SECTION 29 AND N½ S½ & S½ N½ OF SECTION 30, TOWNSHIP 5 NORTH, RANGE 61 WEST, 6TH P.M., FOR DEVELOPMENT AND OPERATION OF THE NIOBRARA FORMATION, AND AUTHORIZING COST RECOVERY AND RISK PENALTIES FROM CERTAIN NONCONSENTING OWNERS FOR THE PRONGHORN W42-29-30XRLNB WELL DRILLED WITHIN THE UNIT, WATTENBERG FIELD, WELD COUNTY, COLORADO

CAUSE NO. 407 DOCKET NO. **190100015** TYPE: Pooling

CORRECTED APPLICATION

Bonanza Creek Energy Operating Co., LLC ("Bonanza Creek" or "Applicant"), Operator #8960, by and through its below-signed attorneys, respectfully submits this application to the Oil and Gas Conservation Commission of the State of Colorado ("Commission" or "COGCC") for an order pooling all interests within the approximate 640-acre Rule 318A. horizontal wellbore spacing unit established for $N\frac{1}{2}$ S $\frac{1}{2}$ & S $\frac{1}{2}$ N $\frac{1}{2}$ of Section 29 and N $\frac{1}{2}$ S $\frac{1}{2}$ & S $\frac{1}{2}$ N $\frac{1}{2}$ of Section 29 and N $\frac{1}{2}$ S $\frac{1}{2}$ & S $\frac{1}{2}$ N $\frac{1}{2}$ of Section 30, Township 5 North, Range 61 West, 6th P.M., for development and operation of the Niobrara Formation, and authorizing cost recovery and statutory risk penalties from certain nonconsenting owners for the State Pronghorn W42-29-30XRLNB well constructed within said unit. In support of this corrected Application ("Application"), Applicant states and alleges as follows:

1. Applicant is a corporation duly authorized to conduct business in the State of Colorado and has registered as an operator with the COGCC.

2. Applicant owns substantial leasehold interests in the below-listed lands ("Application Lands"):

 North, Range 61 West, 6th P.M.

 Section 29:
 N¹/₂ S¹/₂ & S¹/₂ N¹/₂

 Section 30:
 N¹/₂ S¹/₂ & S¹/₂ N¹/₂

An Application Map depicting the Application Lands is attached hereto and marked Exhibit A.

3. 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.

4. Acting pursuant to notice requirements found in Rule 318A.e.(5), Bonanza Creek established an approximate 640-acre horizontal wellbore spacing unit (defined by Rule 318A.a.(4)D.) for the Application Lands, for production of oil, gas and associated hydrocarbons from the Niobrara Formation. Following the establishment of the unit, **Bonanza Creek** submitted an Application for Permit-to-Drill (one horizontal well per unit), which was subsequently approved by the Director and described in the table below:

Well Name / Number	API Number	Target Formation
State Pronghorn W42-29-30XRLNB	05-123-44114	Niobrara

5. Acting pursuant to relevant provisions of §34-60-116(6), C.R.S., Applicant seeks an order pooling all interests in the approximate 640-acre Rule 318A. horizontal wellbore spacing unit established for the Application Lands, for development and operation of the Niobrara Formation.

6. Rule 530. provides that an application for involuntary pooling may be filed at any time prior or after the drilling of a well, with any pooling order retroactive to the date the application is filed with the Commission unless the payor agrees otherwise. Bonanza Creek will provide Rule 530. well proposal materials to putative nonconsenting owners within the approximate 640-acre horizontal wellbore spacing unit established for the Application Lands, thereby allowing those owners at least 60 days to make an election as to their participation in the drilling of the State Pronghorn W42-29-30XRLNB well, or leasing their interests, if unleased.

7. Acting pursuant to §34-60-116(6) & (7), C.R.S., and Rule 530., Applicant hereby seeks an order authorizing cost recovery and statutory risk penalties associated with the drilling, completion and operation of the State Pronghorn W42-29-30XRLNB well, from interests belonging to those nonconsenting owners, for development and operation of the Niobrara Formation.

8. The granting of this Application is in accord with the Oil and Gas Conservation Act found at §34-60-101, *et seq.*, C.R.S., and the COGCC rules.

9. Applicant requests that relief granted as result of this Application should be effective on oral order by the Commission, and Applicant hereby agrees to be bound by the oral order of the Commission.

10. That the names and addresses of interested parties (those persons who own any interest in the mineral estate of the tracts to be pooled, except owners of overriding royalty interest) according to the information and belief of the Applicant will be set forth in <u>Exhibit B</u> and submitted with a certificate of service for the Application within seven days as required by Rule 503.e.

WHEREFORE, Applicant respectfully requests this matter be set for hearing, notice be given as required by law, and that upon such hearing the Commission enter its order:

A. Pooling all interests in the approximate 640-acre horizontal wellbore spacing unit established for the Application Lands, for development and operation of the Niobrara Formation, with the pooling order effective as of the date of the Application.

B. 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 State Pronghorn W42-29-30XRLNB well, for production of oil, gas and associated hydrocarbons from the Niobrara Formation, having been pooled by operation of statute, pursuant to §34-60-116(6) & (7), C.R.S., are made subject to cost recovery and risk penalties provided therein.

C. For such other findings and orders as the Commission may deem proper or advisable given the premises.

{*The remainder of this page is intentionally left blank*}

DATED this 4th day of November, 2018.

Respectfully submitted,

BONANZA CREEK ENERGY OPERATING CO., LLC

By:

obert A. Willis (Colorado Bar #26308) Poulson, Odell & Peterson, LLC 1775 Seventeenth Street, Suite 1400 Denver, CO 80203

Applicant's Address: Bonanza Creek Energy Operating Co., LLC 410 Seventeenth St., Suite 1400 Denver, CO 80202

VERIFICATION

) ss.

(303) 861-4400, main (303) 264-4418, direct

STATE OF COLORADO

CITY & COUNTY OF DENVER

Braggston Morris, Landman for Bonanza Creek Energy Operating Co., LLC, upon oath deposes and says that he has read the foregoing Application and that the statements contained therein are true to the best of his knowledge, information and belief.

BONANZA CREEK ENERGY OPERATING CO., LLC

Braggston Morris

Subscribed and sworn to before me this 30^{H} day of October, 2018, by Braggston Morris, Landman for Bonanza Creek Energy Operating Co., LLC.

Witness my hand and official seal.

My commission expires: _______

LABSEN NOTARY ID 2017 MY COMMISSION EXPIRES

K.



Township 5 North, Ranges 61 & 62 West, 6th P.M.

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²⁴ 5N-62W	5N-61W	19	20
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23 		30	
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IN THE MATTER OF THE APPLICATION OF BONANZA CREEK ENERGY OPERATING CO., LLC, FOR AN ORDER POOLING ALL INTERESTS WITHIN THE APPROXIMATE 640-ACRE RULE 318A. HORIZONTAL WELLBORE SPACING UNIT ESTABLISHED FOR N¹/₂ S¹/₂ & S¹/₂ N¹/₂ OF SECTION 29 AND N¹/₂ S¹/₂ & S¹/₂ N¹/₂ OF SECTION 30. TOWNSHIP 5 NORTH, RANGE 61 WEST, 6TH P.M., FOR DEVELOPMENT AND OPERATION OF THE NIOBRARA FORMATION, AND AUTHORIZING COST RECOVERY RISK PENALTIES FROM CERTAIN AND NONCONSENTING OWNERS FOR THE PRONGHORN W42-29-30XRLNB WELL DRILLED WITHIN THE UNIT, WATTENBERG FIELD, WELD COUNTY, COLORADO

CAUSE NO. 407 DOCKET NO. 190100015

TYPE: Pooling

CERTIFICATE OF MAILING

I, Bridget Wittrock, hereby certify that on the 16th day of November, 2018, I caused a copy of the Application in the above-referenced Docket Number to be deposited in the U.S. Mail, postage prepaid, addressed to the parties listed on Exhibit B attached hereto.

DATED this 16th day of November, 2018.

Bridget Withock

Bridget Winrock Poulson, Odell & Peterson, LLC 1775 Sherman Street, Suite 1400 Denver, Colorado 80203

EXHIBIT B

INTERESTED PARTIES

Amended and Restated K & S Living Trust u/d/t dated 6-21-16 28 Mirador Irvine, CA 92612 190100015

Anschutz Family Investment Company, LLC 555 17th Street, Suite 2400 Denver, CO 80202 190100015

Baylor University One Bear Place, #97034 Waco, TX 76798 190100015

Cathy James Paglia P.O. Box 899 Denver, CO 80201 190100015

Clifford M. Ford and June M. Ford, Co-Trustees of the Ford Family Trust u/t/d June 17, 2014 P.O. Box 1965 Harrison, AR 72602 190100015

Daniel W. Bean & Company P.O. Box 829 Corvallis, OR 97339 190100015

Geraldine S. Scalf 410 Celtic Court Colorado Springs, CO 80921 190100015

HighPoint Operating Corporation 1099 18th Street, Suite 2300 Denver, CO 80202 ¹⁹⁰¹⁰⁰⁰¹⁵ Anschutz Exploration Corporation 555 17th Street, Suite 2400 Denver, CO 80202 190100015

Anschutz Resources Corporation P.O. Box 829 555 17th Street, Suite 2400 Denver, CO 80202 190100015

Buckner Foundation 1601 Elm, Suite 1700 Dallas, TX 75201-7241 190100015

Charles B. McPherson 2018 Essex Lane Colorado Springs, CO 80909 190100015

CoBank, FCB P.O. Box 2940 Wichita, KS 67201-2940 ¹⁹⁰¹⁰⁰⁰¹⁵

Douglas J. Guion P.O. Box 899 Denver, CO 80201 190100015

Gray Bull Royalty Company LLC 9403 Cubs Den Drive Littleton, CO 80127 190100015

Houston Baptist University 7502 Fondren Rd. Houston, TX 77074 190100015 Anschutz Exploration Corporation on behalf of Ansbro Petroleum Company LLC Royalty Pool 555 17th Street, Suite 2400 Denver, CO 80202 190100015

Baylor College of Medicine 1601 Elm, Suite 1700 Dallas, TX 75201-7241 190100015

Bulldog One Oil & Gas, Inc. P.O. Box 899 Denver, CO 80201 190100015

Chrystelle L. Payne, Trustee of The Chrystelle L. Payne Trust dated June 29, 2011 3649 Texas St. San Diego, CA 92104 190100015

Colorado Energy Minerals, Inc. P.O. Box 899 Denver, CO 80201-0899 190100015

Family Tree Corporation PO Box 260498 Lakewood, CO 80226 190100015

J. Christopher Dykes, as Trustee of The J. Christopher Dykes Revocable Trust dtd 10-10-12 P.O. 260498 Lakewood, CO 80226 190100015

James P. Oursland and Susan P. Oursland, as Joint Tenants 6976 Orchard Court Arvada, CO 80007 190100015 J. Craig Creel 375 W. Golf Place Pagosa Springs, CO 81147 190100015

John G. Wilding 6417 Grateful Heart Gate Columbia, MD 21044 190100015

Labrador One Oil & Gas, Inc. P.O. Box 899 Denver, CO 80201 190100015

Margaret C.S. Ramsburg P.O. Box 97 Libertytown, MD 21762 190100015

Ned R. Timbel 6500 West Mansfield Ave., #19 Denver, CO 80235 190100015

OOGC America, LLC 945 Bunker Hill Rd, Suite 1000 Houston, TX 77024 190100015

Robert G. James P.O. Box 899 Denver, CO 80201 190100015

Roland L. Shelton 55 Valley Road, P.O. Box 536 Pinedale, WY 82941 190100015

Scott L. Hajicek and Marilyn S. Hajicek, as Joint Tenants 2980 S Newcombe Way Lakewood, CO 80227 190100015 James P. Murphy P.O. Box 899 Denver, CO 80201 190100015

Journey's End, Inc. 6547 N. Academy Blvd., #612 Colorado Springs, CO 80918 190100015

Lavir Holdings Inc. 14400 HWY 34 Ft. Morgan, CO 80701 ¹⁹⁰¹⁰⁰⁰¹⁵

Marguerite K. Timbel 6500 West Mansfield Ave., #19 Denver, CO 80235 190100015

Oil and Gas Trust under A.M. Culver Trust dtd 11-18-70, Leslie Sykes and Rosalyn Culver, aka Rosalyn T. Culver, Co-Trustees P.O. Box 81045 San Diego, CA 92138 190100015

Pamela S. Kalstrom & Todd R. Kalstrom, as Co-Trustees of the Pamela S. Kalstrom Trust 6732 W. Princeton Place Denver, CO 80235 190100015

Robert P. Dykes, as Trustee of The Robert P. Dykes Revocable Trust dated 10-14-11 P.O. Box 260498 Lakewood, CO 80226 190100015

Rosalyn Culver Trust dated 9-10-09, Leslie Sykes and Rosalyn Culver, aka Rosalyn T. Culver, Co-Trustees P.O. Box 81045 San Diego, CA 92138 190100015

Shannon V. Higgins 5 Glade Ct. Little Rock, AR 72223 190100015 Katherine W. Lesanto 5 Horace Street Needham, MA 02494 190100015

Loraine M. Fels, aka Loraine C. Fels 93 Mayor Way Cloverdale, CA 95425 190100015

Michael L. Dykes, as Trustee of The Michael L. Dykes Revocable Trust dated October 10, 2012 P.O. Box 260498 Lakewood, CO 80226 190100015

OMA, L.L.C. 3030 Country Club Blvd. Sugar Land, TX 77478 190100015

Pamela S. Kalstrom & Todd R. Kalstrom, as Co-Trustees of the Todd R. Kalstrom Trust 6732 W. Princeton Place Denver, CO 80235 190100015

Rodeo Mineral Partners II, LLC P.O. Box 4631 Englewood, CO 80155 190100015

San Marcos Baptist Academy 1601 Elm, Suite 1700 Dallas, TX 75201-7241 190100015

South Park Royalty Company, LLC P.O. Box 899 Denver, CO 80201-0899 190100015

Stephanie Shakarian Roth 1037 Via Contenta Escondido, CA 92027 190100015 Southwestern Baptist Theological Seminary 1601 Elm, Suite 1700 Dallas, TX 75201-7251 190100015

Stephen Shakarian 222 J Street #412 San Diego, CA 92101 190100015

The Riverside Club Company 6635 W. Prentice Ave. Littleton, CO 80123 190100015

Sandy Hill Land LLC Parcel No.: 96929100016 216 16th St., Ste 1200 Denver, CO 80202 ¹⁹⁰¹⁰⁰⁰¹⁵

State of Colorado Parcel No.: 96929200012 1127 N. Sherman St., Ste 300 Denver, CO 80203 190100015

State of Colorado Parcel No.: 96930200001 1127 N. Sherman St., Ste 300 Denver, CO 80203 190100015

Riverside Club Co. Parcel No.: 96930300003 c/o Pete Dines 6635 W. Prentice Ave. Littleton, CO 80123 190100015

Sean Hackett CDPHE 4300 Cherry Creek Dr. South Denver, CO 80246 190100015 Stonebridge Energy, LLC 1350 S. Boulder Avenue, Suite 710 Tulsa, OK 74119 190100015

Thomas A. Pool Trust 1650 Fillmore Street, Apt. 1304 Denver, CO 80206 190100015

Wayne R. Beeks 2556 East Pine Bluff Lane Highlands Ranch, CO 80126 190100015

Sandy Hill Land LLC Parcel No.: 96929100015 216 16th St., Ste 1200 Denver, CO 80202 190100015

State of Colorado Parcel No.: 96929300010 1127 N. Sherman St., Ste 300 Denver, CO 80203 190100015

Riverside Club Co. Parcel No.: 96930200015 c/o Pete Dines 6635 W. Prentice Ave. Littleton, CO 80123 190100015

State of Colorado Parcel No.: 96930400014 1127 N. Sherman St., Ste 300 Denver, CO 80203 ¹⁹⁰¹⁰⁰⁰¹⁵

Colo. Parks & Wildlife Attn: Brandon Marette 6060 Broadway Denver, CO 80216 190100015 The McPherson Family Living Trust 2350 Adobe Rd. Suite 194 Bullhead City, AZ 86442 190100015

Thomas Shirk 1725 Cedar Ridge Rd Parsons, KS 67357 190100015

William S. McPherson III 2350 Adobe Rd. Suite 194 Bullhead City, AZ 86442 190100015

Tim Winick and Elaine Winick Parcel No.: 96929100014 25575 County Road 89 Orchard, CO 80649 190100015

State of Colorado Parcel No.: 96930100013 1127 N. Sherman St., Ste 300 Denver, CO 80203 190100015

Riverside Club Co. Parcel No.: 96930300016 c/o Pete Dines 6635 W. Prentice Ave. Littleton, CO 80123 190100015

Jason Maxey Weld County Dept. of Planning Services 1555 North 17th Ave. Greeley, CO 80631 190100015