

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

IN THE MATTER OF THE PROMULGATION AND) CAUSE NO. 1
ESTABLISHMENT OF FIELD RULES TO GOVERN)
OPERATIONS FOR THE NIOBRARA FORMATION,) DOCKET NO. 170500309
WATTENBERG FIELD, WELD COUNTY,)
COLORADO) TYPE: GENERAL
ADMINISTRATIVE

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

APPLICATION LANDS

Township 3 North, Range 63 West, 6th P.M.

Section 4: All
Section 10: All

Township 4 North, Range 63 West, 6th P.M.

Section 22: All
Section 24: All
Section 26: All
Section 28: All
Section 34: All

On April 3, 2017, Bonanza Creek Energy Operating Co., LLC (Operator No. 8960) ("Bonanza Creek" or "Applicant"), filed a verified amended application ("Application") pursuant to §34-60-116, C.R.S., and Colorado Oil and Gas Conservation ("Commission") Rule 303 for an order:

1) Approving those Applications for Permit-to-Drill ("APD's") described below, with any appropriate conditions of approval, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation:

| Well Name / No. | COGCC Permit Doc. No. |
|------------------------|-----------------------|
| Longhorn B11-V41-4HNB | 401110500 |
| Longhorn V41-B11-10HNB | 401110497 |
| Mustang X44-D14-22HNB | 401110496 |
| Mustang V41-B11-24HNB | 401110492 |
| Mustang D11-X44-26HNB | 401110486 |
| Mustang D14-X44-28HNB | 401110480 |
| Mustang X44-D14-34HNB | 401110484 |

2) Approving those Oil and Gas Location Assessments ("OGLA's") described below, with any appropriate conditions of approval:

| Location Name / No. | COGCC Permit Doc. No. |
|----------------------------|------------------------------|
| Longhorn 11-4 Pad | 401110499 |
| Longhorn 41-10 Pad | 401110498 |
| Mustang 44-22 Pad | 401110495 |
| Mustang 41-24 Pad | 401110491 |
| Mustang 14-26 Pad | 401110489 |
| Mustang 14-28 Pad | 401110481 |
| Mustang 44-34 Pad | 401110483 |

APPLICABLE ORDERS AND RULES

(available online at: <http://cogcc.state.co.us>, under "Regulation," then select "Orders" or "Rules")

- Rule 303.c.(2)A. provides that an operator may request a hearing before the Commission on an APD or OGLA if the Director has not issued a decision within 75 days following a determination that the APD or OGLA is complete.
- Rule 303.c.(2)C. provides that a hearing pursuant to Rule 303.c.(2)A. shall be expedited but only held after providing both 20 days' notice and newspaper publication; however, after legal newspaper publication.
- Rule 703. provides that operators are to provide adequate financial assurance with the Commission, prior to commencing any operations with heavy equipment, to protect surface owners who are not parties to a lease, surface use or other relevant agreement with the operator from unreasonable land damage caused by such operations.
- On June 17, 2014 (corrected August 19, 2014), the Commission entered Order No. 407-1026 which, among other things, established an approximate 640-acre drilling and spacing unit for Section 4, Township 3 North, Range 63 West, 6th P.M., with authority to drill 14 horizontal wells within said unit, for the production of oil, gas and associated hydrocarbons from the Codell and Niobrara Formations.
- On June 27, 2011 (corrected February 14, 2014), the Commission entered Order No. 407-560 which, among other things, established an approximate 640-acre drilling and spacing unit for Section 10, Township 3 North, Range 63 West, 6th P.M., with authority to drill one horizontal well within said unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.
- On April 28, 2014, the Commission entered Order No. 407-997 which, among other things, established an approximate 640-acre drilling and spacing unit for Section 22, Township 4 North, Range 63 West, 6th P.M., with authority to drill 14 horizontal wells within said unit, for the production of oil, gas and associated hydrocarbons from the Codell and Niobrara Formations.
- On June 6, 2016, the Commission entered Order No. 407-1740 which, among other things, modified Order 407-997 to authorize an additional 6 horizontal wells within the approximate 640-acre drilling and spacing unit, for a total of up to 20 horizontal wells, established for Section 22, Township 4 North, Range 63 West, 6th P.M., for the

production of oil, gas and associated hydrocarbons from the Codell and Niobrara Formations.

- On April 28, 2014, the Colorado entered Order No. 407-998 which, among other things, established an approximate 640-acre drilling and spacing unit for Section 24, Township 4 North, Range 63 West, 6th P.M., with authority to drill 14 horizontal wells within said unit, for the production of oil, gas and associated hydrocarbons from the Codell and Niobrara Formations.
- On June 6, 2016, the Commission entered Order No. 407-1740 which, among other things, modified Order 407-998 to authorize an additional 6 horizontal wells within the approximate 640-acre drilling and spacing unit, for a total of up to 20 horizontal wells, established for Section 24, Township 4 North, Range 63 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Codell and Niobrara Formations.
- On June 27, 2011 (corrected February 14, 2014), the Commission entered Order No. 407-560 which, among other things, established an approximate 640-acre drilling and spacing unit for Section 26, Township 4 North, Range 63 West, 6th P.M., with authority to drill one horizontal well within said unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.
- On June 6, 2016, the Commission entered Order No. 407-1740 which, among other things, modified Order 407-560 to authorize an additional 19 horizontal wells within the approximate 640-acre drilling and spacing unit, for a total of up to 20 horizontal wells, established for Section 26, Township 4 North, Range 63 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Codell and Niobrara Formations.
- On August 8, 2011, the Commission entered Order No. 407-466 which, among other things, established an approximate 640-acre drilling and spacing unit for Section 28, Township 4 North, Range 63 West, 6th P.M., with authority to drill one horizontal well within said unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.
- On August 28, 2014, the Commission entered Order No. 407-1007 which, among other things, vacated Order No. 407-466, and established an approximate 640-acre drilling and spacing unit for Section 24, Township 4 North, Range 63 West, 6th P.M., with authority to drill 14 horizontal wells within said unit, for the production of oil, gas and associated hydrocarbons from the Codell and Niobrara Formations.
- On June 6, 2016, the Commission entered Order No. 407-1740 which, among other things, modified Order 407-560 to authorize an additional 6 horizontal wells within the approximate 640-acre drilling and spacing unit, for a total of up to 20 horizontal wells, established for Section 28, Township 4 North, Range 63 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Codell and Niobrara Formations.
- On April 28, 2014, the Colorado entered Order No. 407-999 which, among other things, established an approximate 640-acre drilling and spacing unit for Section 34, Township

4 North, Range 63 West, 6th P.M., with authority to drill 14 horizontal wells within said unit, for the production of oil, gas and associated hydrocarbons from the Codell and Niobrara Formations.

NOTICE IS HEREBY GIVEN, pursuant to §§ 34-60-101 to -130, C.R.S., Rule 303. and the Commission's Rules of Practice and Procedure, 2 CCR 404-1, that the Commission has scheduled this matter for hearing on:

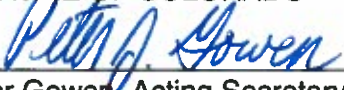
Date: May 1-2, 2017
Time: 9:00 a.m.
Place: Colorado Oil and Gas Conservation Commission
The Chancery Building
1120 Lincoln Street, Suite 801
Denver, CO 80203

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 April 17, 2017.** 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 April 17, 2017.** 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: 
Peter Gowen, Acting Secretary

Dated: April 5, 2017

Colorado Oil and Gas Conservation Commission
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