

Bonanza Creek Energy, Inc.  
Form S-1/A  
July 25, 2011

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As filed with the Securities and Exchange Commission on July 25, 2011

Registration No. 333-174765

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

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Amendment No. 1  
to

**Form S-1**

REGISTRATION STATEMENT  
UNDER  
THE SECURITIES ACT OF 1933

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**Bonanza Creek Energy, Inc.**

(Exact name of registrant as specified in its charter)

**Delaware**  
(State or other jurisdiction of  
incorporation or organization)

**1311**  
(Primary Standard Industrial  
Classification Code Number)  
**410 17th Street, Suite 1500**  
**Denver, Colorado 80202**  
**(720) 440-6100**

**61-1630631**  
(I.R.S. Employer  
Identification No.)

(Address, including zip code, and telephone number, including  
area code, of registrant's principal executive offices)

**Michael R. Starzer**  
**President and Chief Executive Officer**  
**Bonanza Creek Energy, Inc.**  
**410 17th Street, Suite 1500**  
**Denver, Colorado 80202**  
**(720) 440-6100**

Name, address, including zip code, and telephone number, including area code, of agent for service)

---

Copies to:

**Dallas Parker**

**J. Michael Chambers**

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Approximate date of commencement of proposed sale to the public:  
As soon as practicable after the effective date of this registration statement.

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If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933 check the following box:

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer  Accelerated filer  Non-accelerated filer  Smaller reporting company   
(Do not check if a smaller reporting company)

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**CALCULATION OF REGISTRATION FEE**

Title of Each Class of Securities to be Registered	Proposed Maximum Aggregate Offering Price <sup>(1)</sup>	Amount of Registration Fee <sup>(2)(3)</sup>
Common Stock, par value \$0.001 per share	\$200,000,000	\$23,220

(1) Estimated solely for the purpose of calculating the registration fee pursuant to Rule 457(o) under the Securities Act of 1933.

(2) Calculated pursuant to Rule 457(o) under the Securities Act of 1933.

(3) A registration fee of \$23,220 was paid previously based on an estimate of the aggregate offering price.

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The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the registration statement shall become effective on such date as the Commission acting pursuant to said Section 8(a), may determine.

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*PROSPECTUS (Subject to Completion)*  
*Issued July 25, 2011*

The information in this prospectus is not complete and may be changed. We and the selling stockholders may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and we and the selling stockholders are not soliciting offers to buy these securities in any state where the offer or sale is not permitted.

*Shares*

*Bonanza Creek Energy, Inc.*

*COMMON STOCK*

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*Bonanza Creek Energy, Inc. is offering \_\_\_\_\_ shares of its common stock and the selling stockholders are offering \_\_\_\_\_ shares of common stock. We will not receive any proceeds from the sale of shares by the selling stockholders. This is our initial public offering and no public market currently exists for our shares. We anticipate that the initial public offering price of our common stock will be between \$ \_\_\_\_\_ and \$ \_\_\_\_\_ per share.*

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*We intend to apply to list our common stock on the New York Stock Exchange under the symbol "BCEI."*

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*Investing in our common stock involves risks. See "Risk Factors" beginning on page 16.*

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*PRICE \$ PER SHARE*

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	<i>Price to Public</i>	<i>Underwriting Discounts and Commissions</i>	<i>Proceeds to Company</i>	<i>Proceeds to Selling Stockholders</i>
<i>Per Share</i>	\$	\$	\$	\$
<i>Total</i>	\$	\$	\$	\$

*The selling stockholders have granted the underwriters the right to purchase up to an additional \_\_\_\_\_ shares to cover over-allotments.*

*The Securities and Exchange Commission and state securities regulators have not approved or disapproved of these securities, or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.*

*The underwriters expect to deliver the shares of common stock to purchasers on \_\_\_\_\_, 2011.*

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*MORGAN STANLEY*



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You should rely only on the information contained in this prospectus and any free writing prospectus prepared by or on behalf of us or to which we have referred you. Neither we nor the selling stockholders have authorized anyone to provide you with information different from that contained in this prospectus and any free writing prospectus. We and the selling stockholders are offering to sell shares of common stock and seeking offers to buy shares of common stock only in jurisdictions where offers and sales are permitted. The information in this prospectus is accurate only as of the date of this prospectus, regardless of the time of delivery of this prospectus or any sale of the common stock.

Until \_\_\_\_\_, 2011 (the 25th day after the date of this prospectus), all dealers that buy, sell or trade our common stock, whether or not participating in this offering, may be required to deliver a prospectus. This requirement is in addition to the dealers' obligation to deliver a prospectus when acting as underwriters and with respect to their unsold allotments or subscriptions.

**Industry and Market Data**

The market data and certain other statistical information used throughout this prospectus are based on independent industry publications, government publications or other published independent sources. Some data is also based on our good faith estimates. Although we believe these third-party sources are reliable and that the information is accurate and complete, we have not independently verified the information.



Table of Contents**PROSPECTUS SUMMARY**

*This summary provides a brief overview of information contained elsewhere in this prospectus. Because it is abbreviated, this summary does not contain all of the information that you should consider before investing in our common stock. You should read the entire prospectus carefully before making an investment decision, including the information presented under the headings "Risk Factors," "Cautionary Note Regarding Forward-Looking Statements" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the historical consolidated financial statements and unaudited pro forma financial information and related notes thereto included elsewhere in this prospectus. Unless otherwise indicated, information presented in this prospectus assumes that the underwriters' option to purchase additional common shares is not exercised. We have provided definitions for certain oil and natural gas terms used in this prospectus in the "Glossary of Certain Industry Terms" beginning on page 125 of this prospectus.*

*In this prospectus, unless the context otherwise requires, the terms "we," "us," "our" and the "company" refer to Bonanza Creek Energy, Inc. and its subsidiaries and Bonanza Creek Energy Company, LLC, its predecessor.*

**BONANZA CREEK ENERGY, INC.****Overview**

Bonanza Creek Energy, Inc. is an independent oil and natural gas company engaged in the acquisition, exploration, development and production of onshore oil and associated liquids-rich natural gas in the United States. Our assets and operations are concentrated primarily in southern Arkansas (Mid-Continent region) and the Denver Julesburg ("DJ") and North Park Basins in Colorado (Rocky Mountain region). In addition, we own and operate oil producing assets in the San Joaquin Basin (California region). Our management team has extensive experience in acquiring and operating oil and gas properties, which we believe will contribute to the development of our sizable inventory of projects including those targeting the oily Cotton Valley sands in our Mid-Continent region and the Niobrara oil shale formation in our Rocky Mountain region. We operate approximately 99.4% and hold an average working interest of approximately 85.8% of our proved reserves, providing us with significant control over the rate of development of our long-lived, low-cost asset base.

Cawley, Gillespie & Associates, Inc., our independent reserve engineers, estimated our net proved reserves to be 32,860 MBoe as of December 31, 2010, 68.1% of which were classified as oil and natural gas liquids, and 35.1% of which were classified as proved developed. Our average net daily production rate during April 2011 was 3,691 Boe/d, which consisted of 71.9% oil and natural gas liquids.

	Estimated Proved Reserves at December 31, 2010 <sup>(1)</sup>				PV-10 (\$ in MM) <sup>(2)</sup>	Estimated Production for the Month Ended April 30, 2011		Projected 2011 Capital Expenditures (millions) <sup>(3)</sup>	Net Proved Undeveloped Drilling Locations as of December 31, 2010
	Total Proved (MBoe)	% of Total	% Proved Developed	% Oil and Liquids		Average Net Daily Production (Boe/d)	% of Total		
Mid-Continent	22,876	69.6%	26.2%	67.3%	\$ 313.3	2,236	60.6%	\$ 72.6	151.3
Rocky Mountain	9,098	27.7	57.2	67.1	135.3	1,237	33.5	70.2	75.8
California	886	2.7	38.3	98.8	13.0	218	5.9	8.7	13.6
Total	32,860	100.0%	35.1%	68.1%	\$ 461.6	3,691	100%	\$ 151.5	240.7

(1)

Proved reserves were calculated using prices equal to the twelve month unweighted arithmetic average of the first-day-of-the-month price for each of the preceding twelve months, which were \$79.43 per Bbl of crude oil and \$4.38 per MMBtu of natural gas. Adjustments were made for location and the



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grade of the underlying resource, which resulted in an average decrease of \$4.50 per Bbl of crude oil and an increase of \$0.43 per MMBtu of natural gas.

- (2) PV-10 is a non-GAAP financial measure and represents the present value of estimated future cash inflows from proved crude oil and natural gas reserves, less future development and production costs, discounted at 10% per annum to reflect timing of future cash inflows and using the twelve month unweighted arithmetic average of the first-day-of-the-month price for each of the preceding twelve months. PV-10 differs from Standardized Measure of Discounted Future Net Cash Flows ("Standardized Measure") because it does not include the effect of future income taxes. For a reconciliation of our Standardized Measure to PV-10, see "*Summary Reserve and Operations Data Non-GAAP Financial Measures and Reconciliation PV-10.*"
- (3) Projected capital expenditures for our Mid-Continent region include an estimated \$16.2 million allocated for a new Dorcheat gas processing facility scheduled to be completed in August 2011.

**Development Projects by Region**

*Mid-Continent:* In southern Arkansas, we are primarily targeting the oil-bearing Cotton Valley sands in the Dorcheat Macedonia and McKamie Patton fields. As of December 31, 2010, our estimated proved reserves in this region were 22,876 MBoe, 67.3% of which were oil and natural gas liquids and 26.2% of which were proved developed. We currently operate 111 gross (96.7 net) producing wells and have an identified drilling inventory of approximately 188 gross (151.3 net) PUD drilling locations on our acreage. In 2011 we expect to drill and complete 40 gross (31.4 net) wells in the Dorcheat Macedonia field at a cost of approximately \$1.7 million per well, and 2 gross (2.0 net) wells in the McKamie Patton field at a cost of approximately \$1.2 million per well.

We also own and operate the McKamie gas processing facility and approximately 150 miles of associated gathering pipelines that serve our acreage position in southern Arkansas. This facility has a maximum processing capacity of 15 MMcf/d of natural gas and 30,000 gallons per day of natural gas liquids, and we are in the process of building a new 12.5 MMcf/d gas processing facility in the Dorcheat field to allow for continued field development and production growth. Our McKamie facility currently processes all of the natural gas that we produce from the Dorcheat and McKamie fields.

*Rocky Mountain:* In the DJ and North Park Basins in Colorado, we hold 89,701 gross (68,772 net) acres that currently produce oil, natural gas and CO<sub>2</sub> from the Pierre B, Niobrara, Codell, J-Sand, D-Sand and Dakota formations. As of December 31, 2010, our estimated proved reserves in this region were 9,098 MBoe, of which 67.1% were oil and 57.2% were proved developed. In the DJ Basin we control 29,742 net acres and have identified approximately 91 gross (75.8 net) vertical PUD drilling locations targeting the Codell sand and Niobrara oil shale formations. In 2011, we expect to drill and complete 66 gross (62.3 net) vertical wells targeting the Codell sand and Niobrara oil shale formations, at a cost of approximately \$0.8 million per well. In addition, we believe that horizontal drilling and multi-stage fracture completion techniques are an attractive alternative to vertical well completions for the Niobrara oil shale. In June 2011, we initiated horizontal development of the Niobrara oil shale by commencing drilling the first in a series of 4 gross (3.8 net) horizontal wells at a cost of approximately \$3.7 million per well on our DJ Basin properties. In the North Park Basin we control 39,030 net acres and have identified highly fractured and dual porosity areas which we believe will support vertical and horizontal drilling techniques for the Niobrara. The development of the North Park Basin will begin in 2011 with the drilling of 7 gross (7.0 net) vertical wells at a cost of approximately \$1.9 million per well.

*California:* In California, we employ thermal techniques to recover heavy oil in the Kern River and Midway Sunset fields, and we produce medium gravity oil from the Greeley and Sargent fields. As of December 31, 2010, our estimated proved reserves in this region were 886 MBoe, of which 98.8% were oil and 38.3% were proved developed. We have identified approximately 18 gross (13.6 net) PUD drilling

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opportunities in these fields. In 2011, we expect to drill 10 gross (8.0 net) wells with individual well costs ranging from approximately \$0.3 to \$1.0 million.

**Our Business Strategies**

Our goal is to increase stockholder value by investing capital to increase our production, cash flow and proved reserves. We intend to accomplish this goal by focusing on the following key strategies:

***Increase Production from Existing Low-Cost Proved Inventory.*** In the near term, we intend to accelerate the drilling of our lower-risk vertical PUD drilling locations in southern Arkansas and in the oily Codell and Niobrara formations of the DJ Basin. Substantially all of these infill locations are characterized by multiple productive horizons.

***Test and Evaluate Our Niobrara Oil Shale Acreage.*** We hold approximately 89,701 gross (68,772 net) acres prospective for the development of the Niobrara oil shale in Weld and Jackson Counties, Colorado, and own approximately 17,400 acres of proprietary 3-D seismic data covering our acreage position in Weld County, which aids in identifying our horizontal drilling locations. Although full-scale vertical drilling of the Niobrara oil shale commenced in the early 1990s, operators in the region, including EOG Resources (DJ Basin and North Park Basin), Noble Energy (DJ Basin), and PDC Energy (DJ Basin) have recently applied horizontal drilling and multi-stage fracture stimulation techniques to enhance recoveries and economic returns. We expect to drill four Niobrara horizontal wells in the DJ Basin (Weld County, Colorado) in 2011.

***Exploit Additional Development Opportunities.*** We are evaluating additional resource potential opportunities that could result in future development projects on several of our assets. For example, we have evaluated and believe we may achieve attractive returns by exploiting the Lower Smackover trend in our southern Arkansas acreage and we believe there are additional thermal recovery opportunities in California.

***Pursue Accretive Acquisitions.*** We intend to pursue bolt-on acquisitions in regions where we operate and where we believe we possess a strategic or technical advantage, such as southern Arkansas where we own a gas processing facility and the associated infrastructure. In addition, we intend to focus on other oil and liquids-rich opportunities where we believe our operational experience will enhance the value and performance of acquired properties.

***Maintain High Degree of Operatorship.*** We currently have and intend to maintain a high working interest in our assets, thereby allowing us to leverage our technical, operating and management skills and control the timing of our capital expenditures.

**Our Competitive Strengths**

We believe the following combination of strengths will enable us to implement our strategies:

***Significant Drilling Inventory.*** We have identified 297 gross (240.7 net) PUD drilling locations, providing us with multiple years of drilling inventory.

***Niobrara Resource Potential.*** Since 2005, we have accumulated 68,772 net acres in Weld and Jackson Counties, Colorado, targeting the Niobrara formation. Our acreage is proximate to horizontal drilling operations which have been successfully completed by other operators. Significant increases in permitting, spud notices and reported oil and gas production involving the Niobrara formation in these counties have made this area one of the most active oil shale plays in the United States. In Weld County, the average initial 30-day production rate is 311 Boe/d from 32 wells with oil and gas production and no dry holes reported to the state regulatory commission. In the North Park Basin, EOG Resources has completed 5 wells horizontally in an area of the Niobrara that we believe to be



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geologically similar to our acreage position based on electric and porosity log response. The average initial 30-day production rate from these wells has been 323 Boe/d.

We believe our significant acreage position in the Niobrara represents production, reserve and value growth potential and that the continued development of this play by other operators validates our investment in this play and will result in the continued development of infrastructure in the area. Geological risks associated with our Weld County acreage position have been mitigated by the high volume of data provided through the drilling, completion and production of thousands of vertical wells in the Niobrara in close proximity to our acreage. We own proprietary 3-D seismic surveys on 17,400 acres of our properties in Weld County and 22 proprietary 2-D seismic lines in Jackson County. Additionally, adequate gathering systems are in place in this region, enabling a short time period from well completion to first product sales.

***High Degree of Operational Control.*** We hold an average working interest in our properties of approximately 85.8% and operate approximately 99.4% of our estimated proved reserves, which allows us to employ the drilling and completion techniques we believe to be most effective, manage costs and control the timing and allocation of our capital expenditures.

***Gas Processing Capability in Southern Arkansas.*** The processing of our natural gas at our McKamie facility improves our well development economics in southern Arkansas. We are in the process of expanding our infrastructure by adding an additional gas processing facility in our Dorcheat field to accommodate future drilling on our acreage in this region.

***Experienced Management.*** Our senior management team averages more than 28 years of industry experience, and certain members of our executive management have worked together for over 24 years. Our management team has significant acquisition experience, having negotiated and closed more than 12 acquisition transactions since 2006.

***Financial Flexibility.*** Our capital structure is intended to provide a high degree of financial flexibility to grow our asset base, both through organic projects and opportunistic acquisitions. Immediately following the completion of this offering, we expect to have no indebtedness and \$            million of liquidity, comprised of \$130 million of availability under our credit facility and approximately \$            million of cash on hand.

**Corporate Restructuring**

On December 23, 2010, our predecessor, Bonanza Creek Energy Company, LLC ("BCEC") was recapitalized through the following series of transactions (collectively referred to as the "Corporate Restructuring"):

we issued shares of our common stock to Project Black Bear LP ("Black Bear"), an entity advised by West Face Capital Inc. ("West Face Capital"), and to certain clients of Alberta Investment Management Corporation ("AIMCo") in exchange for \$265 million in cash;

BCEC contributed to us all of its ownership interest in Bonanza Creek Energy Operating Company, LLC ("BCEOC") in exchange for shares of our common stock;

members of Holmes Eastern Company, LLC ("HEC") contributed all of their outstanding membership interests in HEC to us in exchange for cash and shares of our common stock;

we repaid certain of BCEC's indebtedness and assumed the remaining balance outstanding under BCEC's credit facility.

Following completion of these transactions, BCEC was dissolved and the shares of our common stock held by BCEC were distributed for the benefit of its members.



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**Credit Facility**

On March 29, 2011, we entered into a four-year \$300 million credit agreement with a syndicate of banks providing for a senior secured revolving credit facility with an initial borrowing base of \$130 million and with a \$5 million subfacility for standby letters of credit. For a description of the material terms of our credit facility, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations Liquidity and Capital Resources Credit facility.*"

**Class B Common Stock Conversion**

Upon consummation of this offering, 10,000 shares of our Class B common stock, par value \$0.001 per share ("Class B Common Stock"), issued in the form of shares of restricted stock to certain of our employees pursuant to our Management Incentive Plan, will automatically be converted into a number of shares of our common stock pursuant to a formula set forth in our certificate of incorporation. See "*Certain Relationships and Related Party Transactions Class B Common Stock Conversion.*" We expect to issue \_\_\_\_\_ shares of our common stock upon conversion of the Class B Common Stock based on an assumed initial public offering price of \$ \_\_\_\_\_ per share (the midpoint of the price range set forth on the cover page of this prospectus).

**Risk Factors**

Investing in our common stock involves risks that include the speculative nature of oil and natural gas exploration, competition, volatile oil and natural gas prices and other material factors. In particular, the following considerations may offset our competitive strengths or have a negative effect on our ability to execute our business strategies as well as on activities on our properties, which could cause a decrease in the price of our common stock and result in a loss of all or a portion of your investment:

Our future revenues are dependent on our ability to successfully replace our proved producing reserves.

A decline in oil and natural gas prices may adversely affect our business, financial condition or results of operations and our ability to meet our capital expenditure obligations and financial commitments.

Our identified drilling locations are scheduled over several years, making them susceptible to uncertainties that could materially alter the occurrence or timing of their drilling.

Unless we replace our oil and gas reserves, our reserves and production will decline.

Our estimated reserves are based on many assumptions that may turn out to be inaccurate. Any significant inaccuracies in these reserve estimates or underlying assumptions will materially affect the quantities and present value of our reserves.

The present value of future net revenues from our proved reserves will not necessarily be the same as the current market value of our estimated oil and natural gas reserves.

We have incurred losses from operations during certain periods since our inception and may continue to do so in the future.

We expect to be a "controlled company" within the meaning of NYSE rules and, as a result, would qualify for and may rely on exemptions from certain corporate governance requirements.

For a discussion of these risks and other considerations that could negatively affect us, including risks related to this offering and our common stock, see "*Risk Factors*" beginning on page 15 and "*Cautionary Note Regarding Forward-Looking Statements.*"





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**Principal Stockholders**

Our principal stockholder, Black Bear, is an affiliate of West Face Capital, a Toronto-based investment management firm with over \$2.0 billion of assets under management. West Face Capital specializes in event-oriented investments where its ability to navigate complex investment processes is the most significant determinant of returns and invests across the capital structure with specializations in natural resource industries, distressed debt, high yield debt and common equity. West Face Capital indirectly holds its interest in our common stock through Black Bear, a Delaware limited partnership formed by West Face Capital as a special purpose vehicle to invest in our securities on behalf of its limited partner investors. Pursuant to an advisory agreement, West Face Capital has authority to direct the trading and investing activities of Black Bear, including the power to vote and control the disposition of the shares of our Class A Common Stock held by Black Bear (approximately 42.62% of our issued and outstanding shares prior to this offering). West Face Capital and AIMCo, on behalf of certain of its clients, have entered into an investment management agreement pursuant to which West Face Capital has the right to vote the shares of our common stock held by certain clients of AIMCo. West Face Capital, via the investment management agreement with AIMCo and an advisory agreement with Black Bear, has the power to vote 72.66% of our issued and outstanding common stock prior to this offering and, therefore, prior to this offering may control the outcome of any matter submitted to a vote of the stockholders, including the election of our board of directors.

**Corporate Information**

Our principal executive offices are located at 410 17th Street, Suite 1500, Denver, Colorado 80202, and our telephone number at that address is (720) 440-6100. Our website is [www.bonanzacrk.com](http://www.bonanzacrk.com). Information on our website or any other website is not incorporated by reference herein and does not constitute a part of this prospectus.

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**THE OFFERING**

Common stock offered by us.	shares
Common stock offered by selling stockholders	shares
Common stock to be outstanding after this offering	shares
Common stock owned by the selling stockholders after this offering	shares
Over-allotment option	shares
Use of proceeds	We estimate that our net proceeds from the sale of common stock in this offering will be approximately \$ million, assuming an initial public offering price of \$ per share (the midpoint of the price range set forth on the cover page of this prospectus) and after deducting estimated expenses and underwriting discounts and commissions of approximately \$ million. Each \$1.00 increase (decrease) in the public offering price will increase (decrease) our expected net proceeds by approximately \$ million. We intend to use a portion of the net proceeds from this offering to (i) repay all outstanding indebtedness under our credit facility, which as of April 30, 2011, was approximately \$68.4 million; (ii) fund our drilling and development program; and (iii) fund the expansion of our gas processing facilities. We will not receive any proceeds from the sale of shares by the selling stockholders.
Dividend policy	We do not intend to pay any cash dividends on our common stock. We intend to retain any earnings for use in the operation of our business and to fund future growth. In addition, our credit facility prohibits us from paying cash dividends. See " <i>Dividend Policy</i> ."
Proposed New York Stock Exchange listing	We intend to apply to list shares of our common stock on the NYSE under the symbol "BCEI" soon after the NYSE completes its clearance review at the end of July.
Risk factors	You should carefully read and consider the information beginning on page 15 of this prospectus set forth under the heading " <i>Risk Factors</i> " and all other information set forth in this prospectus before deciding to invest in our common stock.

Unless specifically stated otherwise, all information in this prospectus:

gives effect to the conversion of all shares of Class B Common Stock into shares of common stock, assuming pricing of this offering at the midpoint of the price range set forth on the cover page of this prospectus; and

assumes no exercise of the over-allotment option.

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**SUMMARY HISTORICAL AND PRO FORMA CONSOLIDATED FINANCIAL DATA**

The following tables set forth summary historical and pro forma financial data of us and our predecessor, BCEC and pro forma financial data to give effect to the acquisition of HEC as of and for the periods indicated. The consolidated statement of operations data for the years ended December 31, 2008 and 2009 and the period ended December 23, 2010 are derived from the audited consolidated financial statements of BCEC included elsewhere in this prospectus. The consolidated balance sheet data as of December 31, 2010 is derived from our audited consolidated financial statements included elsewhere in this prospectus. The consolidated balance sheet data as of December 31, 2008 is derived from the audited consolidated financial statements of BCEC which are not included in this prospectus. The consolidated statement of operations data for the three months ended March 31, 2010 are derived from the unaudited financial statements of BCEC appearing elsewhere in this prospectus, and the consolidated statement of operations data for the period from inception (December 23, 2010) to December 31, 2010 and the three months ended March 31, 2011 and the consolidated balance sheet data as of March 31, 2011 are derived from our financial statements appearing elsewhere in this prospectus. In management's opinion, these financial statements include all adjustments necessary for the fair presentation of our financial condition as of such dates and our results of operations for such periods.

The summary unaudited pro forma statement of operations of Bonanza Creek Energy, Inc. for the year ended December 31, 2010 gives effect to our Corporate Restructuring as if it had occurred on January 1, 2010. The summary unaudited balance sheet of Bonanza Creek Energy, Inc. as of March 31, 2011 gives effect to this offering and the repayment of indebtedness as if they had occurred on March 31, 2011.

The summary historical and pro forma consolidated financial data should be read in conjunction with "*Selected Historical Consolidated and Unaudited Pro Forma Financial Data*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and both our and our predecessor's financial statements and the notes to those financial statements included elsewhere in this document. The financial information included in this prospectus may not be indicative of our future results of operations, financial position and cash flows.

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	Bonanza Creek Energy Company, LLC (Predecessor)		Bonanza Creek Energy, Inc.			Bonanza Creek Energy, Inc. Pro Forma <sup>(2)</sup>	
	Year Ended December 31,		Period Ended December 23, 2010 <sup>(1)</sup>	Three Months Ended March 31, 2010	Period from Inception (December 23, 2010) to December 31, 2010	Three Months Ended March 31, 2011	Year Ended December 31, 2010
	2008	2009		(unaudited)		(unaudited)	(unaudited)
(in thousands, except per share data)							
<b>Statement of Operations Data:</b>							
Revenues:							
Oil sales	\$ 39,967	\$ 27,601	\$ 34,431	\$ 7,514	\$ 1,325	\$ 16,576	\$ 45,413
Natural gas sales	5,165	3,671	6,226	1,663	207	2,926	10,253
Natural gas liquids and CO <sub>2</sub> sales	2,782	3,169	7,672	1,544	213	2,711	8,365
<b>Total revenues</b>	47,914	34,441	48,329	10,721	1,745	22,213	64,031
Operating expenses:							
Lease operating	20,434	13,449	14,792	3,434	483	4,614	17,285
Severance and ad valorem taxes	1,847	2,148	1,621	333	70	1,053	2,524
Depreciation, depletion and amortization	25,463	14,108	14,225	3,261	506	6,387	20,917
General and administrative	7,477	7,610	8,375	2,087	323	2,239	9,338
Employee stock compensation <sup>(3)</sup>							
Exploration	25	131	361	114		525	380
Impairment of oil and gas properties <sup>(4)</sup>	26,437	579					
Cancelled private placement <sup>(5)</sup>			2,378				2,378
<b>Total operating expenses</b>	81,683	38,025	41,752	9,229	1,382	14,818	52,822
<b>Income (loss) from operations</b>	(33,769)	(3,584)	6,577	1,492	363	7,395	11,209
Other income (expense):							
Interest expense	(12,870)	(16,582)	(18,001)	(3,959)	(58)	(713)	(1,263)
Amortization of debt discount	(5,987)	(7,963)	(8,862)	(2,127)			
Write off of deferred financing costs			(1,663)				(1,663)
Gain on sale of oil and gas properties	8	303	4,055	4,092			4,055
Unrealized gain (loss) in fair value of warrant put option <sup>(6)</sup>	70,972	(80,640)	34,345	(24,204)			
Unrealized gain (loss) in fair value of commodity derivatives	48,716	(34,589)	(7,605)	(1,142)	(514)	(5,455)	(8,119)
Realized gain on settled commodity derivatives	1,913	13,451	5,919	1,585	(47)	(776)	5,872
Other income (loss)	(229)	(179)	19	(60)		68	(47)
	102,523	(126,199)	8,207	(25,815)	(619)	(6,876)	(1,165)

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<b>Total other income (expense)</b>							
<b>Income (loss) before income taxes</b>	68,754	(129,783)	14,784	(24,323)	(256)	519	10,044
<b>Income tax benefit (expense)<sup>(7)</sup></b>					94	(192)	(3,696)
<b>Net income (loss)</b>	\$ 68,754	\$ (129,783)	\$ 14,784	\$ (24,323)	\$ (162)	\$ 327	\$ 6,348
<b>Net income per common share<sup>(8)</sup></b>							
Basic					\$ (0.01)	\$ 0.01	
Diluted					\$ (0.01)	\$ 0.01	
<b>Weighted average shares outstanding</b>							
Basic					29,123	29,123	
Diluted					29,123	29,123	

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- (1) We completed our Corporate Restructuring on December 23, 2010. The operating results of BCEC for the period ended December 23, 2010 are included in the statement of operations presented above.
- (2) The pro forma information above gives effect to our Corporate Restructuring as if it had occurred on January 1, 2010.
- (3) We will recognize employee stock-based compensation expense immediately prior to the consummation of this offering. We also expect to have stock-based compensation expense for future awards. See "*Management's Discussion and Analysis of Financial Condition and Results of Operations Selected Factors and Trends Affecting Our Results of Operations Stock-based Employee Compensation Expenses.*"
- (4) The impairment for the year ended 2008 resulted from a write-down of the carrying value of our oil and natural gas reserves due to depressed year-end oil and natural gas prices.

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- (5) Expenditures in connection with a cancelled private placement of our preferred stock.
- (6) In connection with its purchase of our senior subordinated notes, D. E. Shaw Synoptic Portfolios 5, L.L.C. received warrants to purchase equity interests in our predecessor. These warrants contained a put right exercisable beginning on May 17, 2014. The periods presented for our predecessor reflect the changes in the fair market value of that put option. The warrants and the aggregate warrant exercise price were exchanged for shares of our common stock in connection with our Corporate Restructuring.
- (7) Our predecessor, BCEC, was a partnership for federal income tax purposes and, therefore, was not subject to entity-level taxation. Our pro forma results reflect our taxation as a corporation at an estimated combined state and federal income tax rate of 36.8%.
- (8) As a limited liability company, ownership interests in our predecessor were held as units rather than shares.

	<b>Bonanza Creek Energy Company, LLC (Predecessor)</b>		<b>Bonanza Creek Energy, Inc.</b>		
	As of December 31,		As of December 31, 2010	As of March 31, 2011	As of March 31, 2011 As Adjusted <sup>(1)</sup>
	2008	2009		(unaudited)	(unaudited)
(in thousands)					
<b>Balance Sheet Data:</b>					
Cash and cash equivalents	\$ 4,088	\$ 2,522	\$	\$ 768	
Property and equipment, net	195,280	188,367	496,582	508,653	
Total assets	241,625	211,552	516,104	528,482	
Long term debt, including current portion:					
Credit facility	107,000	99,000	55,400	63,500	
Senior subordinated notes, net of discount	75,499	92,442			
Second lien term loan <sup>(2)</sup>					
Subordinated unsecured note	10,000	10,799			
Warrant put options <sup>(3)</sup>	828	81,468			
Total members'/stockholders' equity (deficit)	35,988	(93,795)	356,380	356,707	

	<b>Bonanza Creek Energy Company, LLC (Predecessor)</b>			<b>Bonanza Creek Energy, Inc.</b>		
	Year Ended December 31,	Period Ended December 23, 2010 <sup>(4)</sup>	Three Months Ended March 31, 2010	Period from Inception (December 23, 2010) to December 31, 2010	Three Months Ended March 31, 2011	
	2008	2009		(unaudited)	(unaudited)	
(in thousands)						
<b>Other Financial Data:</b>						
Net cash provided by operating activities	\$ 11,128	\$ 11,134	\$ 22,759	\$ 4,225	\$ (1,633)	\$ 8,535
Net cash provided by (used in) investing activities	(79,581)	(7,185)	(32,127)	5,697	(817)	(14,880)
	72,541	(5,515)	9,297	(9,153)		7,113

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Net cash provided by (used in)  
financing activities

Adjusted EBITDAX <sup>(5)</sup>	14,435	19,067	25,071	5,165	822	13,599
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(1)

As adjusted for this offering and the application of proceeds as described in "*Use of Proceeds.*"



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- (2) Our \$30 million second lien term loan was fully funded on May 7, 2010 and repaid in full in connection with our Corporate Restructuring on December 23, 2010.
- (3) Warrants and the aggregate warrant exercise price were exchanged for our common shares in connection with our Corporate Restructuring on December 23, 2010.
- (4) We completed our Corporate Restructuring on December 23, 2010. The cash flows from BCEC's operations for the unaudited period from inception (December 23, 2010) to December 24, 2010 through December 31, 2010 are included in the results presented above.
- (5) Adjusted EBITDAX is a non-GAAP financial measure. For a definition of Adjusted EBITDAX and a reconciliation of Adjusted EBITDAX to our net income (loss) and to net cash provided by (used in) operating activities, see "*Summary Reserve and Operations Data Non-GAAP Financial Measures and Reconciliation Adjusted EBITDAX*," below.

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The following tables present summary information regarding the estimated net proved oil and natural gas reserves and the historical operating data of us, our predecessor BCEC, and HEC, as of the dates indicated. The estimates of our net proved reserves at December 31, 2010 and of BCEC at December 31, 2009 are based on the December 31, 2010 and 2009 reserve reports prepared by Cawley, Gillespie & Associates, Inc., our independent reserve engineers. The December 31, 2008 estimates of net proved reserves of BCEC are based on a reserve report prepared by MHA Petroleum Consultants LLC, independent reserve engineers.

For additional information regarding our reserves, please see "*Business Development Projects by Region*" and Note 14 to our audited consolidated financial statements included elsewhere in this prospectus.

	<b>Bonanza Creek Energy Company, LLC (Predecessor)</b>		<b>Bonanza Creek Energy, Inc.</b>
	<b>As of December 31,</b>		
	<b>2008</b>	<b>2009<sup>(1)</sup></b>	<b>2010<sup>(2)</sup></b>
<b>Estimated Proved Reserves:</b>			
Crude oil (MBbls)	11,294	12,913	18,601
Natural gas (MMcf)	19,906	27,610	62,884
Natural gas liquids (MBbls)	1,162	2,357	3,778
<b>Total proved (MBoe)<sup>(3)</sup></b>	<b>15,774</b>	<b>19,872</b>	<b>32,860</b>
Proved developed producing (MBoe)	4,550	4,540	7,478
Proved developed non-producing (MBoe)	1,549	1,340	4,048