

# BONANZA CREEK ENERGY, INC.

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March 3, 2011

Colorado Oil and Gas Conservation Commission  
The Chancery Building  
1120 Lincoln Street, Suite 801  
Denver, CO 80203

Attn: Mr. David Neslin, Director

RE: Request to the Director for 318A.a Surface Location Exception (Outside 318A Drilling Window)  
Request to the Director for 318A.c Twinning Location Exception  
Niobrara Horizontal Well New Drill  
Pronghorn 31-17HZ: NW/4 NE/4 of Section 17, T-5N, R-61W, 6<sup>th</sup> P.M., Weld County, Colorado  
416 ft FNL, 2193 ft FEL

Mr. Neslin:

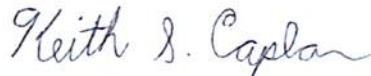
Bonanza Creek Energy Operating, LLC ("Bonanza") intends to drill the above mentioned horizontal oil and gas well to the Niobrara Formation from a well pad to be located as described above. The proposed location is being permitted as an exception location. Bonanza Creek has obtained written permission in a waiver from the surface owner, in an effort to avoid interference with the existing well Pronghorn 31-17.

Under Rule 318a, any new twinning well is to be located within 50 feet of an existing well. The surface location of the proposed wellhead will be approximately 283 feet from the closest existing oil and gas well. Bonanza has obtained permission, contained in a waiver from the surface owner, to locate the proposed wellheads greater than 50 feet from the existing well.

Thank you for your attention to this matter. Bonanza respectfully requests that the COGCC review the enclosed information and approve the exception location variance and Application for Permit to Drill the captioned well(s).

Sincerely,

**BONANZA CREEK ENERGY OPERATING COMPANY, LLC**



Keith S. Caplan  
Senior Operations Technician

enclosure