

MEMORANDUM OF SURFACE USE AGREEMENT

This Memorandum of Surface Use Agreement (this "Memorandum") is by and between 70 Ranch LLC, a Colorado Limited Liability Company whose address is 8301 E. Prentice Avenue, Suite 100, Greenwood Village, CO 80111 ("70 Ranch") and Bonanza Creek Energy Operating Company LLC, a Delaware limited liability company whose address is 410 17th Street, Suite 1500, Denver, Colorado 80202 ("Bonanza"). 70 Ranch and Bonanza may be collectively referred to as the "Parties."

The Parties have entered into that certain Surface Use Agreement dated effective January 1, 2012 (the "Agreement"), and a Letter Agreement dated January 19, 2012 concerning responsibilities respecting "berm roads" identified in Exhibit B to the Agreement. All capitalized terms used but not defined herein shall have the meanings given to them in the Agreement.


The lands and leases covered by the Agreement and Letter Agreement are described on the attached **Exhibit A**.

The Agreement provides, among other things, that Bonanza shall locate wells, facilities, access routes, and pipelines in certain defined and limited areas which have been agreed between the parties and may be agreed between the parties in the future; Bonanza shall observe certain temporal and geographic restrictions on its operations, there shall be certain prescribed fees paid for location of well sites and production facilities, road maintenance obligations shall be apportioned between the parties, and 70 Ranch shall provide a license to Bonanza to use portions of the surface of the 70 Ranch Lands to access certain leaseholds outside the 70 Ranch Lands.

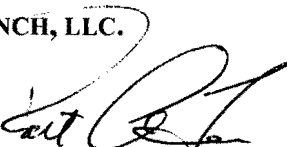
The terms of the Agreement and Letter Agreement are coterminous with that of the Leases. If there is a conflict between the terms of the Agreement or Letter Agreement and the terms of this Memorandum, the terms of the Agreement or Letter Agreement shall control in all respects.

Executed by Bonanza and 70 Ranch on the dates set forth in the acknowledgements below.

**BONANZA CREEK ENERGY OPERATING
COMPANY LLC.**

By: 
Michael R. Starzer, CEO

70 RANCH, LLC.

By: 
Robert A. Lembke
Manager

Acknowledgements

STATE OF COLORADO

(

) ss.

COUNTY OF DENVER

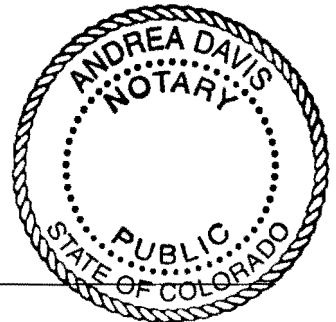
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The foregoing instrument was acknowledged before me this 19th day of January, 2012 by Michael R. Starzer, as Chief Executive Officer of Bonanza Creek Energy Operating Company LLC, a Delaware limited liability company, on behalf of the company.

Witness my hand and official seal.

My commission expires: 08/10/2014

[Signature]



My Commission Expires 08/10/2014

Notary Public

STATE OF COLORADO

(

) ss.

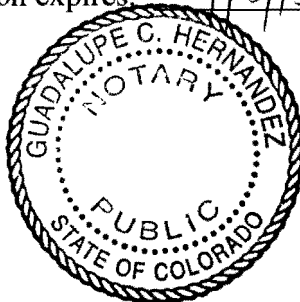
COUNTY OF ARAPAHOE

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The foregoing instrument was acknowledged before me this 19th day of January, 2012 by Robert A. Lembke, as Manager of 70 Ranch LLC, a Colorado limited liability company, on behalf of the company.

Witness my hand and official seal.

My commission expires: 4/8/13



Guadalupe Herrera
Notary Public

Notary Public

EXHIBIT A
to
MEMORANDUM OF SURFACE USE AGREEMENT
Between
70 RANCH LLC and BONANZA CREEK ENERGY OPERATING COMPANY LLC

70 Ranch Lands

Township 5 North, Range 63 West, 6th P.M., Weld County, Colorado

Section 9: All
Section 13: All
Section 17: All
Section 20: W/2, SE/4
Section 21: All
Section 22: All
Section 23: All
Section 24: All
Section 25: All
Section 27: All
Section 28: NE/4NE/4
Section 34: All
Section 35: N/2

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

Section 1: All
Section 3: All
Section 10: Portion of the N/2

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

Section 3: W/2E/2
Section 15: W/2, W/2E/2
Section 17: All
Section 18: All
Section 19: All
Section 20: All
Section 21: All
Section 29: All
Section 31: All
Section 33: All

Township 4 North, Range 62 West, 6th P.M., Weld County, Colorado

Section 3: NW/4
Section 5: All
Section 7: N/2NE/4

Bonanza Creek Energy Operating Company Leases

1. Date: June 30, 2006
 Lessor: Rex Monahan and Doris Monahan
 Lessee: Bonanza Creek Energy Operating Company, LLC
 Recorded: June 30, 2006 at Reception No. 3400230

2. Date: November 19, 1982
 Lessor: William D. Farr
 Lessee: John Q. Moses
 Recorded: December 27, 1982 at Reception No. 01912357

3. Date: December 31, 2002
 Lessor: P. David Perkins
 Lessee: Rex Monahan
 Recorded: December 31, 2002 at Reception No. 3019621

4. Date: June 27, 1977
 Lessor: Champlin Petroleum Company
 Lessee: Amoco Production Company
 Recorded: August 17, 1977 at Reception No. 1727638

5. Date: March 10, 2004
 Lessor: The Travelers Insurance Company
 Lessee: Rex Monahan
 Recorded: April 16, 2004 at Reception No. 3171142

6. Date: October 28, 1972
 Lessor: Champlin Petroleum Company
 Lessee: Amoco Production Company
 Recorded: February 13, 1973 at Reception No. 1607054

7. Date: November 8, 1977
 Lessor: Champlin Petroleum Company
 Lessor: Amoco Production Company
 Recorded: Book 818, Reception No. 1739976

8. Date: February 5, 1980
 Lessor: James A. Park, etux.
 Lessee: Diversified Minerals
 Recorded: Book 901, Reception No. 1822992

9. Date: March 4, 1980
 Lessor: Reinhold Croissant
 Lessee: Diversified Minerals

- Recorded: Book 903, Reception No. 1825068
10. Date: March 4, 1980
Lessor: Roland Croissant
Lessee: Diversified Minerals
Recorded: Book 903, Reception No. 1825070
11. Date: March 4, 1980
Lessor: Harold Croissant
Lessee: Diversified Minerals
Recorded: Book 903, Reception No. 1825072
12. Date: March 4, 1980
Lessor: Paul Croissant
Lessee: Diversified Minerals
Recorded: Book 903, Reception No. 1825074
13. Date: February 16, 1981
Lessor: Kenneth Walters
Lessee: Davis Oil Company
Recorded: Book 936, Reception No. 1858233
14. Date: February 16, 1981
Lessor: James J. Davis
Lessee: Davis Oil Company
Recorded: Book 937, Reception No. 1858550
15. Date: April 10, 1982
Lessor: Wallace Rothe, etux.
Lessee: Petro-Quest, Inc.
Recorded: Book 969, Reception No. 1893256
16. Date: October 5, 1979
Lessor: Ervin L. Mondt, etux.
Lessee: Diversified Minerals
Recorded: Book 901, Reception No. 1822964
17. Date: October 5, 1979
Lessor: William E. Mondt, etux.
Lessee: Diversified Minerals
Recorded: Book 901, Reception No. 1822966
18. Date: October 5, 1979
Lessor: Jack R. Mondt, etux.
Lessee: Diversified Minerals

- Recorded: Book 901, Reception No. 1822968
19. Date: October 5, 1979
Lessor: Dorothy Baldwin, etvir
Lessee: Diversified Minerals
Recorded: Book 901, Reception No. 1822970
20. Date: October 5, 1979
Lessor: James R. Mondt, etux.
Lessee: Diversified Minerals
Recorded: Book 901, Reception No. 1822972
21. Date: October 25, 1984
Lessor: Eva Pearl Humphrey
Lessee: Rock Oil Corp.
Recorded: Book 1048, Reception No. 1986886
22. Date: October 25, 1984
Lessor: William J. Prichard, etux.
Lessee: Rock Oil Corp.
Recorded: Book 1048, Reception No. 1986885
23. Date: December 1, 1984
Lessor: Dae G. Huck, a single man
Lessee: Rock Oil Corporation
Recorded: Book 1052, Reception No. 1992376
24. Date: December 1, 1984
Lessor: James W. Harlan, etux.
Lessee: Rock Oil Corporation
Recorded: Book 1052, Reception No. 1992377
25. Date: December 1, 1984
Lessor: Amerigo D. DiLauro, a widower
Lessee: Rock Oil Corporation
Recorded: Book 1054, Reception No. 1994350
26. Date: December 1, 1984
Lessor: Hugh Joseph Huck, Jr., etux.
Lessee: Rock Oil Corporation
Recorded: Book 1054, Reception No. 1994351
27. Date: March 8, 2001
Lessor: Herman G. Peterson, etux.
Lessee: Sovereign Energy LLC

- Recorded: Reception No. 2842068
28. Date: March 8, 2001
Lessor: Vera E. Peterson, a widow
Lessee: Sovereign Energy LLC
Recorded: Reception No. 2842069
29. Date: March 8, 2001
Lessor: Sigrid Heinze, a widow
Lessee: Sovereign Energy LLC
Recorded: Reception No. 2842070
30. Date: March 8, 2001
Lessor: Aderine L. Fredrich
Lessee: Sovereign Energy LLC
Recorded: Reception No. 2842072
31. Date: April 6, 2001
Lessor: Ruth E. Bernhardt, a widow
Lessee: Sovereign Energy LLC
Recorded: Reception No. 2842074
32. Date: April 6, 2001
Lessor: Marjory Peterson, a widow
Lessee: Sovereign Energy LLC
Recorded: Reception No. 2843791
33. Date: March 8, 2001
Lessor: Terry D. Redman, a widow
Lessee: Sovereign Energy LLC
Recorded: Reception No. 2842071
34. Date: April 6, 2001
Lessor: Lynn D. Redman, a widow
Lessee: Sovereign Energy LLC
Recorded: Reception No. 2842073
35. Date: April 6, 2001
Lessor: LeRoy (Jim) Peterson, etux.
Lessee: Sovereign Energy LLC
Recorded: Reception No. 2843337
36. Date: April 6, 2001
Lessor: John Peterson, etux.

- Lessee: Sovereign Energy LLC
Recorded: Reception No. 2842076
37. Date: April 6, 2001
Lessor: Jo Anne McCargar
Lessee: Sovereign Energy LLC
Recorded: Reception No. 2842075
38. Date: July 19, 2001
Lessor: Randy Peterson, etux.
Lessee: Sovereign Energy LLC
Recorded: Reception No. 2869738
39. Date: January 15, 2002
Lessor: Harvey C. Krautschun, etux.
Lessee: Sovereign Energy LLC
Recorded: Reception No. 2926047
40. Date: September 10, 2002
Lessor: Iris A. Krautschun, a widow
Lessee: Sovereign Energy LLC
Recorded: Reception No. 3001029
41. Date: January 15, 2002
Lessor: Roger D. Krautschun, etux.
Lessee: Sovereign Energy LLC
Recorded: Reception No. 2926048
42. Date: June 1, 2000
Lessor: Bureau of Land Management
Lessee: CFG Energy, Inc.
Recorded: Reception No. 2790574