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BonanzaCrk.com

7 November 2012

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

Attn: Matthew Lepore, Director

**RE: Request to the Director for 318A(I).a Surface Location Exception (Outside 318A Drilling Window)
Request to the Director for 318A(I).c Twinning Location Exception
Niobrara Horizontal Well New Drills**

Pronghorn 44-41-7HNB: SESE (430' FSL, 1175' FEL) Sec 7-T5N-R61W, 6th PM, Weld County, CO

Mr. Lepore:

Bonanza Creek Energy, Inc. ("Bonanza") intends to drill the above referenced horizontal oil and gas well(s) to the Niobrara Formation from well pad(s) to be located as described above. The proposed locations are being permitted as exception locations, in an effort to optimize the lateral length of these horizontal wells. Bonanza Creek has obtained written permission in a waiver from the surface owner.

Additionally, under Rule 318A(I).c, any new twinning well is to be located within 50 feet of an existing well. Bonanza has obtained permission, contained in a waiver from the surface owner, to locate the proposed wellhead(s) greater than 50 feet from an 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, INC.
BONANZA CREEK ENERGY OPERATING COMPANY, LLC.**

A handwritten signature in blue ink, appearing to read 'Keith S. Caplan'.

Keith S. Caplan
Senior Regulatory Specialist

enclosure



**SURFACE OWNER'S RESPONSE LETTER
COGCC Rule 318A(I).a and 318A(I).c Exceptions**

Pronghorn T-7 Pad: SESE Sec 7-T5N-R61W, 6th PM, Weld County, CO
Pronghorn 44-41-7HNB (430' FSL, 1175' FEL), Pronghorn A2-7HZ (410' FSL, 1175' FEL),
Pronghorn A3-7HZ (390' FSL, 1175' FEL), Pronghorn A4-7HZ (370' FSL, 1175' FEL),
Pronghorn A5-7HZ (350' FSL, 1175' FEL), Pronghorn A6-7HZ (330' FSL, 1175' FEL),
Pronghorn A7-7HZ (310' FSL, 1175' FEL)

Having reviewed Bonanza Creek Energy, Inc.'s letter **Surface Owner Waivers, COGCC Wattenberg Window and Twinning Rules** dated **25 October 2012**, the undersigned Surface Owner or Designated Representative hereby grants Bonanza Creek Energy, Inc. exceptions to the following COGCC Rules with respect to the above referenced well locations.

COGCC Rule 318A(I).a – Well location within a GWA Window
COGCC Rule 318A(I).c – Well location within 50' of an existing well

Signed and Dated this _____ day of _____, 2012.

SURFACE OWNER or DESIGNATED REPRESENTATIVE:

By Mark Lih, President of Progressive Farms Mgt, Inc, General Partner
Title: for L&S Capital, Ltd Title: _____

Designated Representative (if any)

Designated Representative (Agent): _____

Address: _____

Telephone: Home _____ Work _____