

November 30, 2012



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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 T-3 Pad: SESE Sec 3-T5N-R61W, 6<sup>th</sup> PM, Weld County, CO  
Pronghorn T-P-3HZ (430' FSL, 1222' FEL), Pronghorn 44-41-3HZ (410' FSL, 1222' FEL), Pronghorn 34-31-3HZ  
(390' FSL, 1222' FEL), Pronghorn Y-U-3HZ (370' FSL, 1221' FEL),  
and Pronghorn O-K-3HZ (350' FSL, 1221' FEL)

Director Lepore:

Bonanza Creek Energy, Inc. ("Bonanza") intends to drill the above referenced horizontal oil and gas well(s) to the Niobrara Formation from a well pad to be located as described above. The proposed location is being permitted as an exception location, in an effort to optimize the lateral length of the associated horizontal well(s). 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 that reads 'Randy Edelen'.

Randy Edelen, PE  
Regulatory Specialist