

January 30, 2015



410 17th Street, Suite 1500
Denver, CO 80202
(720) 440-6100 phone
(720) 279-2331 fax

Bonanzacrk.com

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

Attn: Matthew Lepore, Director

Re: Notice of 318A.a.(4).D Well Proposal
State Pronghorn 44-32-31MRLNB
SHL: SESE 392' FSL & 1123' FEL, Section 32, Township 5N, Range 61W
Top of Production: SESE 660' FSL & 631' FEL, Section 32-T5N-R61W
Bottom of Production: SESE 660' FSL & 860' FEL, Section 31-T5N-R61W, Weld
County, Colorado

Director Lepore:

Bonanza Creek Energy Operating Company, LLC. (Bonanza) intends to permit, drill and operate the referenced Niobrara Horizontal Well. As defined by Colorado Oil and Gas Conservation Commission (COGCC) Rule 318A.a.(4)D., Bonanza proposes the following wellbore spacing unit:

S/2 S/2 Section 32-T5N-R61W 6th PM, Weld County, CO – containing 160 Acres more or less
SE/4 SE/4 Section 31-T5N-R61W 6th PM, Weld County, CO – containing 40 Acres more or less

Bonanza has notified the other owners in the unit and no objections were received. Copies of the notifications are maintained in Bonanza's files.

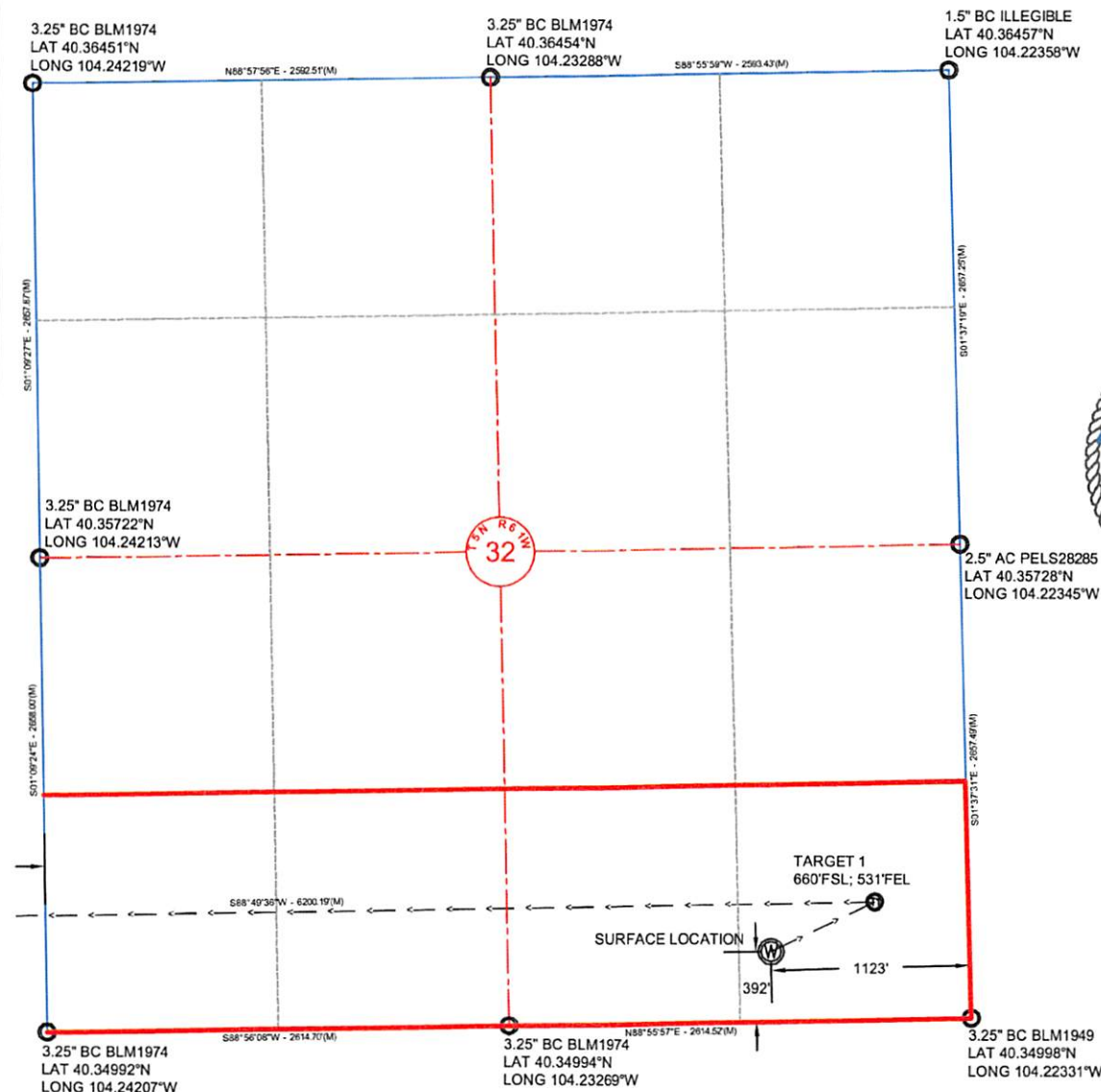
Bonanza respectfully requests that you review the enclosed wellbore spacing unit documentation and approve the referenced Application for Permit to Drill.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Julie L. Vigil', is written over the printed name.

Julie L. Vigil
Sr. Regulatory Specialist
BONANZA CREEK ENERGY OPERATING COMPANY, LLC.

PRONGHORN 44-32-CERT-0699 SAVED DATE 2014-12-10 15:20



NOTE: Under Colorado law, you must commence any legal action based upon any defect in this certificate within three years after defect is discovered. In no event, may any action based upon any defect in this survey be commenced more than ten years after date of this certificate shown hereon. (13-80105 C.R.S.)

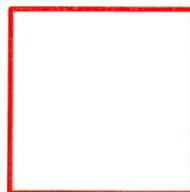


CERTIFICATE OF SURVEYOR

I, David A. Fehring of Lander, Wyoming hereby certify that this well location certificate was prepared from notes taken during an actual survey on NOVEMBER 14, 2014; and that it correctly shows the drilling location of BONANZA CREEK ENERGY, INC., STATE PRONGHORN 44-32-31MRLNB as staked during said survey. This map does not represent a boundary survey.

NOTES:

- All bearings are GRID based upon the Colorado State Plane Coordinate System, North Zone, NAD83(2011) derived from post-processed static GPS observations.
- Distances are at GRID
- Vertical Datum is NAVD88 based upon GPS observations



Wellbore Spacing Unit Outline



Wellbore Spacing Unit Map

17 December 2014 ksc

State Pronghorn 44-32-31MRLNB p1
S/2 S/2 Sec 32-T5N-R61W 6th PM
SE/4 SE/4 Sec 31-T5N-R61W 6th PM
Weld County, Colorado

3.25" BC BLM1974
LAT 40.36432°N
LONG 104.26160°W

N88°25'23"E - 5402.67'(M)

3.25" BC BLM1974
LAT 40.36451°N
LONG 104.24219°W

N01°09'27"W - 2607.87'(M)

N01°09'24"W - 2608.09'(M)

S88°49'36"W - 6200.19'(M)

3.25" BC BLM1974
LAT 40.35722°N
LONG 104.24213°W

3.25" BC BLM1974
LAT 40.34992°N
LONG 104.24207°W

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T5N R6W
31

BOTTOM HOLE LOCATION



NOTES:

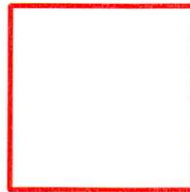
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**BONANZA
CREEK**



Wellbore Spacing Unit Outline



Wellbore Spacing Unit Map

17 December 2014 ksc

State Pronghorn 44-32-31MRLNB p2
S/2 S/2 Sec 32-T5N-R61W 6th PM
SE/4 SE/4 Sec 31-T5N-R61W 6th PM
Weld County, Colorado