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BonanzaCreek.com

April 19, 2012

Mr. Robert Chesson
Colorado Oil & Gas Conservation Commission
1120 Lincoln Street, Suite 801
Denver, CO 80203

RE: 318A Water Well Sampling 318A.e.(4) D Request
State Antelope 14-11-24HZ
Section 24, Township 5N, Range 62W
API No. 05-123-35118

LOC # 427785

Dear Mr. Chesson:

As per Colorado Oil & Gas Conservation Commission (COGCC) Rule 318A.e.(4) D, baseline water well sample testing is required prior to drilling the first interior infill well or boundary well within a governmental section. COGCC stamped the drilling permit for the State Antelope 14-11-24HZ well requiring Bonanza Creek Energy, Inc. (Bonanza Creek) to conduct water sample baseline testing in Section 24, Township 5N, Range 62W.

Research was conducted to identify and contact water well owners to meet Rule 318A.e.(4) D criteria for the above-referenced well. Based on these findings, Bonanza Creek is requesting a determination of NOT REQUIRED under Rule 318A.e.(4) D for the required sampling due to the fact that no wells were identified that meet the criteria of Rule 318A.e.(4) A-D.

If you agree to the request, please sign and date the bottom of this letter and return it to me.

Please contact me at 720-440-6113 if you have any questions regarding this information.

Sincerely,

Bonanza Creek Energy, Inc.

Tom Peterson
Engineering Technician

COGCC Approved: _____ Title: EPS Date: 4/20/2012