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Bonanzacrk.com

January 6, 2013

State Board of Land Commissioners
North Central District Office
Attn: Steve Freese
360 Oak Avenue, Suite 110
Eaton, Colorado 80615

**Re: Request to plug the State 1-26 (API 05-123-07148)
5N-63W-26:NESE**

Dear Mr. Freese,

Bonanza Creek Energy, Inc. (Bonanza) would like to request permission to use the surface location of the State 1-26 to plug said well.

Bonanza has located the previously plugged and abandoned State 1-26 well and intends to re-plug in accordance with today's standards. The well to be plugged is done so in accordance with the lease rights granted by the State of Colorado.

Bonanza acknowledges additional stipulations associated with the State oil and gas lease OG 2147.12. Bonanza is fully aware of the additional stipulations included in the Exhibit A of the aforementioned lease and is conducting its operations in accordance with those stipulations. It is the intent of Bonanza to accommodate any timing or location issues that may affect its drilling operations.

Enclosed please find the scout card, photos, Division of Wildlife letter and survey plats for the State North Platte 44-26 depicting the location of the State 1-26 well in Section 26, 5N-63W. Please let us know if you would like to set up a consult to view the location. Should you find the location satisfactory and approve the location and well to be plugged, please sign and return the attached acknowledgement. If you have any questions, please do not hesitate to call or email me.

Sincerely,
Bonanza Creek Energy, Inc.


Steve McPherson
Landman III, Rocky Mountain Region
720-440-6180
smcpherson@bonanzacrk.com

I hereby acknowledge receipt of request for Bonanza to plug the State 1-26 well. I find the location to be satisfactory and approve of the well to be plugged.

Steve Freese

By:  _____

Date: 1/6/14 _____