



410 17th Street, Suite 1400
Denver, CO 80202
(720) 440-6100 phone
(720) 305-0804 fax

Bonanzacrk.com

October 23, 2015

State Board of Land Commissioners
Attn: Steve Freese
1127 Sherman Street
Denver, CO 80203

Re: Request to plug the State 32-1 (API 05-123-05157)
5N-61W-32: SENW

Dear Mr. Freese,

Bonanza Creek Energy, Inc. (Bonanza) would like to request permission to use the surface location of the State 32-1 to plug said well.

Bonanza has located the previously plugged and abandoned State 32-1 well and intends to re-plug in accordance with the DJ Basin Horizontal Offset Policy, as set forth by the Colorado Oil and Gas Conservation Commission. The Well will be plugged in accordance with the lease rights granted by the State of Colorado. A 100' x 100' area surrounding the possible location of the Well will be designated as the disturbed area. Once the Well is located, a 150' x 150' Pad will be designated as the pad location for plugging operations.

Bonanza acknowledges additional stipulations associated with the State oil and gas lease OG 1178.10. 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 Plugged & Abandoned Well Exhibit depicting the location of the State 32-1 well in Section 32, 5N-61W. 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.

Caroline Hansen
Landman II, Rocky Mountain Region
720-440-6159
chansen@bonanzacrk.com

I hereby acknowledge receipt of request for Bonanza to plug the State 32-1 well. I find the location to be satisfactory and approve of the well to be plugged.

Steve Freese

By: _____

A handwritten signature in blue ink, appearing to read 'Steve Freese', is written over a horizontal line.

Date: 10/30/15