

MEMORANDUM OF SURFACE USE AGREEMENT

This Memorandum of Surface Use Agreement (this "Memorandum") is by and between 70 Ranch LLC, a Colorado Limited Liability Company whose address is 8301 E. Prentice Avenue, Suite 100, Greenwood Village, CO 80111 ("70 Ranch") and Bonanza Creek Energy Operating Company LLC, a Delaware limited liability company whose address is 410 17th Street, Suite 1500, Denver, Colorado 80202 ("Bonanza"). 70 Ranch and Bonanza may be collectively referred to as the "Parties."

The Parties have entered into that certain Surface Use Agreement dated effective January 1, 2012 (the "Agreement"), and a Letter Agreement dated January 19, 2012 concerning responsibilities respecting "berm roads" identified in Exhibit B to the Agreement. All capitalized terms used but not defined herein shall have the meanings given to them in the Agreement.

The lands and leases covered by the Agreement and Letter Agreement are described on the attached **Exhibit A**.

The Agreement provides, among other things, that Bonanza shall locate wells, facilities, access routes, and pipelines in certain defined and limited areas which have been agreed between the parties and may be agreed between the parties in the future; Bonanza shall observe certain temporal and geographic restrictions on its operations, there shall be certain prescribed fees paid for location of well sites and production facilities, road maintenance obligations shall be apportioned between the parties, and 70 Ranch shall provide a license to Bonanza to use portions of the surface of the 70 Ranch Lands to access certain leaseholds outside the 70 Ranch Lands.

The terms of the Agreement and Letter Agreement are coterminous with that of the Leases. If there is a conflict between the terms of the Agreement or Letter Agreement and the terms of this Memorandum, the terms of the Agreement or Letter Agreement shall control in all respects.

Executed by Bonanza and 70 Ranch on the dates set forth in the acknowledgements below.

**BONANZA CREEK ENERGY OPERATING
COMPANY LLC.**

By: _____

Michael R. Starzer, CEO

70 RANCH, LLC.

By: _____

Robert A. Lembke
Manager

Acknowledgements

STATE OF COLORADO)
) ss.
COUNTY OF DENVER)

The foregoing instrument was acknowledged before me this 19th day of January, 2012 by Michael R. Starzer, as Chief Executive Officer of Bonanza Creek Energy Operating Company LLC, a Delaware limited liability company, on behalf of the company.

Witness my hand and official seal.

My commission expires: 08/10/2014



My Commission Expires 08/10/2014

Notary Public

STATE OF COLORADO)
) ss.
COUNTY OF ARAPAHOE)

The foregoing instrument was acknowledged before me this 19th day of January, 2012 by Robert A. Lembke, as Manager of 70 Ranch LLC, a Colorado limited liability company, on behalf of the company.

Witness my hand and official seal.

My commission expires: 4/8/13




Notary Public

Notary Public

EXHIBIT A
to
MEMORANDUM OF SURFACE USE AGREEMENT
Between
70 RANCH LLC and BONANZA CREEK ENERGY OPERATING COMPANY LLC

70 Ranch Lands

Township 5 North, Range 63 West, 6th P.M., Weld County, Colorado

Section 9: All
Section 13: All
Section 17: All
Section 20: W/2, SE/4
Section 21: All
Section 22: All
Section 23: All
Section 24: All
Section 25: All
Section 27: All
Section 28: NE/4NE/4
Section 34: All
Section 35: N/2

Township 4 North, Range 63 West, 6th P.M., Weld County, Colorado

Section 1: All
Section 3: All
Section 10: Portion of the N/2

Township 5 North, Range 62 West, 6th P.M., Weld County, Colorado

Section 3: W/2E/2
Section 15: W/2, W/2E/2
Section 17: All
Section 18: All
Section 19: All
Section 20: All
Section 21: All
Section 29: All
Section 31: All
Section 33: All

Township 4 North, Range 62 West, 6th P.M., Weld County, Colorado

Section 3: NW/4
Section 5: All
Section 7: N/2NE/4