

October 14, 2015

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

Bonanzaerk.com

Colorado State Land Board
1127 Sherman St., Ste. 300
Denver, Colorado 80203
Attn: Steve Freese

Exception Location Waiver - COGCC Wattenberg Window and Twinning Rules (318A.a, 318A.c.)

State North Platte T-36 Pad: SESE Sec. 36, T5N, R63W, 6th PM, Weld County, Colorado
Latham U41-1-12XRLNC (231' FSL, 1105' FEL)

Dear Mr. Freese,

Bonanza Creek Energy Operating Company LLC ("Bonanza") intends to drill the above referenced Niobrara Formation horizontal oil and gas well, to be located as described above.

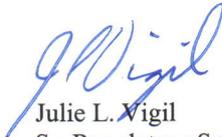
The Colorado Oil and Gas Conservation Commission (COGCC) has implemented certain rules which pre-determine the location of oil and gas wells in this area; and to which exemptions may be granted with the Surface Owner's approval.

COGCC Rule 318A.a. defines a "400' Greater Wattenberg Area (GWA) Window" as "A square with sides four hundred (400) feet in length, the center of which is the center of any governmental quarter-quarter section." The rule also defines an 800' GWA Window as "a square with sides eight hundred (800) feet in length, the center of which is the center of any governmental quarter section." In order drill to horizontal wells with sufficient lateral length in the producible zone; the wellhead surface locations have been staked outside of the associated GWA Window.

COGCC Rule 318A.c. requires that an exception be granted by the Surface Owner for a well permitted to be greater than 50' from an existing well in the same quarter-quarter. For safety reasons, multiple rows of wells have been staked with greater than 50' between rows of wellheads.

Bonanza respectfully requests you or your authorized agent complete and sign the attached form; scan and/or email the signed waiver to jvigil@bonanzaerk.com. If you prefer, you may also fax it to (720) 279-2331, to the attention of Julie L. Vigil. Please do not hesitate to call me at (303) 803-1718, should you have any questions or concerns.

Sincerely,
BONANZA CREEK ENERGY OPERATING COMPANY LLC


Julie L. Vigil
Sr. Regulatory Specialist



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Denver, CO 80202
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Bonanzacrk.com

**SURFACE OWNER'S RESPONSE LETTER
COGCC Rule 318A.a and 318A.c Exceptions**

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Latham U41-1-12XRLNC (231' FSL, 1105' FEL)

Having reviewed Bonanza Creek Energy Operating Company LLC letter **Exception Location Waiver, COGCC Wattenberg Window and Twinning Rules** dated **October 14, 2015**, the undersigned Surface Owner or their Designated Representative hereby grants Bonanza Creek Energy Operating Company LLC exceptions to the following COGCC Rules with respect to the above referenced well location.

COGCC Rule 318A.a – Well location within a GWA Window
COGCC Rule 318A.c – Well location within 50' of an existing well

SURFACE OWNER or DESIGNATED REPRESENTATIVE:

By Christel Koranda Date 11/20/16 By _____ Date _____
Printed Name Christel Koranda Printed Name _____
Title Oil and Gas Leasing Manager Title _____
Phone Number 303-866-3454 ext 3321 Phone Number _____

Designated Representative (if any)

Designated Representative (Agent): _____
Address: _____
Telephone: Home _____ Work _____