410 17th Street, Suite 1400
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Bonanzacrk.com

January 15, 2019

Colorado State Board of Land Commissions

1127 N. Sherman St. Suite 300

Denver, CO 80203

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

State Antelope 34-12 Pad- SWSE of Section 12, T5N, R62W, 6th PM, Weld County, Colorado

STATE ANTELOPE E14-12-1XRLNB	STATE ANTELOPE J14-F11-12HNB
STATE ANTELOPE O24-K21-12HNB	STATE ANTELOPE O34-K31-12HNB
STATE ANTELOPE T34-P31-12HNB	STATE ANTELOPE T44-P41-12HNB
STATE ANTELOPE Y-U-12HNB	

Mr. Steve Freese,

Bonanza Creek Energy Operating Company LLC ("Bonanza") intends to drill the above referenced Niobrara Formation horizontal oil and gas wells, to be located as described above. Bonanza Creek reserves the right to change any of the well names listed above at its discretion without further notice.

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 signs the attached form; scan or email the signed waiver to mfaith@bonanzacrk.com. Please do not hesitate to call me, at (303) 803-1732, should you have any questions or concerns.

Sincerely,

BONANZA CREEK ENERGY OPERATING COMPANY LLC

Maxwell Faith, CPL

Land Manager

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SURFACE OWNER RESPONSE LETTER

COGCC Rule 318A.a. & 318A.c. Exceptions

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

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Having reviewed Bonanza Creek Energy Operating Company LLC letter **Exception Location Waiver, COGCC Wattenberg Window and Twinning Rules** dated **January 15, 2019,** the undersigned Surface Owner or their Designated Representative hereby grants Bonanza exceptions to the following COGCC Rules with respect to the above referenced well locations.

COGCC Rule 318A.a – Well location within a GWA Window

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

SURACE OWNER or DESIGNATED REPRESENTATIVE:

By _____ Date_____

Printed Name Steve Fraese

Title Mineral Field Tech

Phone Number_____

By _____ Date_____

Printed Name_____

Title _____

Phone Number