



410 17th Street, Suite 1500  
Denver, CO 80202  
(720) 440-6100 phone  
(720) 279-2331 fax

Bonanzaerk.com

17 April 2012

Mr. Ron von Lembke  
70 Ranch LLC  
8301 E. Prentice Avenue  
Greenwood Village, CO 80111

RE: Surface Owner Exceptions - COGCC Wattenberg Window Rules  
COGCC Twinning Rule

Antelope P-T-17HZ: NWNE (460' FNL, 1408' FEL) Sec 17-T5N-R62W, 6<sup>th</sup> PM, Weld County, CO

Mr. Ron von Lembke:

Bonanza Creek Energy, Inc. (Bonanza) intends to drill the above referenced horizontal oil and gas well to be located as described above. Please see the attached surveyor's Location Drawing.

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(1).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 a horizontal well with sufficient lateral length in the producible zone, the wellhead surface location has been staked outside of the associated GWA Windows.

COGCC Rule 318A(1).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 vicinity. In order drill a horizontal well with sufficient lateral length in the producible zone the well has been staked greater than 50' from existing wells in NE/4 Sec. 17-5N62W.

Per Paragraph 2.c. of the Surface Use Agreement between 70 Ranch, LLC and Bonanza Creek Energy Operating Company, LLC, effective January 1, 2012, this location will constitute the 1 (one) permissible horizontal well pad for Section 17-5N-62W.

Bonanza respectfully requests you or your authorized agent complete and sign the attached form; and fax it to (720) 279-2331, to the attention of Keith Caplan. If you prefer, you may also scan and email the signed waiver to [KCaplan@bonanzaerk.com](mailto:KCaplan@bonanzaerk.com). Please do not hesitate to call me, at (720) 440-6112, should you have any questions or concerns.

Sincerely,  
BONANZA CREEK ENERGY, INC.

Keith S. Caplan  
Sr. Operations Technician



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

Antelope P-T-17HZ; NWNE (460' FNL, 1408' FEL) Sec 17-T5N-R62W, 6<sup>th</sup> PM, Weld County, CO

Having reviewed Bonanza Creek Energy, Inc.'s letter **Surface Owner Exceptions, COGCC Wattenberg Window and Twinning Rules** dated 17 April 2012, the undersigned Surface Owner or Designated Representative hereby grants Bonanza Creek Energy, Inc. exceptions to the following COGCC Rules with respect to the above referenced well locations.

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

Signed and Dated this 19<sup>th</sup> day of April, 2012.

**SURACE OWNER or DESIGNATED REPRESENTATIVE:**

By [Signature] By \_\_\_\_\_

Title: Designated Representative Title: \_\_\_\_\_

**Designated Representative (if any)**

Designated Representative (Agent): \_\_\_\_\_

Address: \_\_\_\_\_

Telephone: Home \_\_\_\_\_ Work \_\_\_\_\_

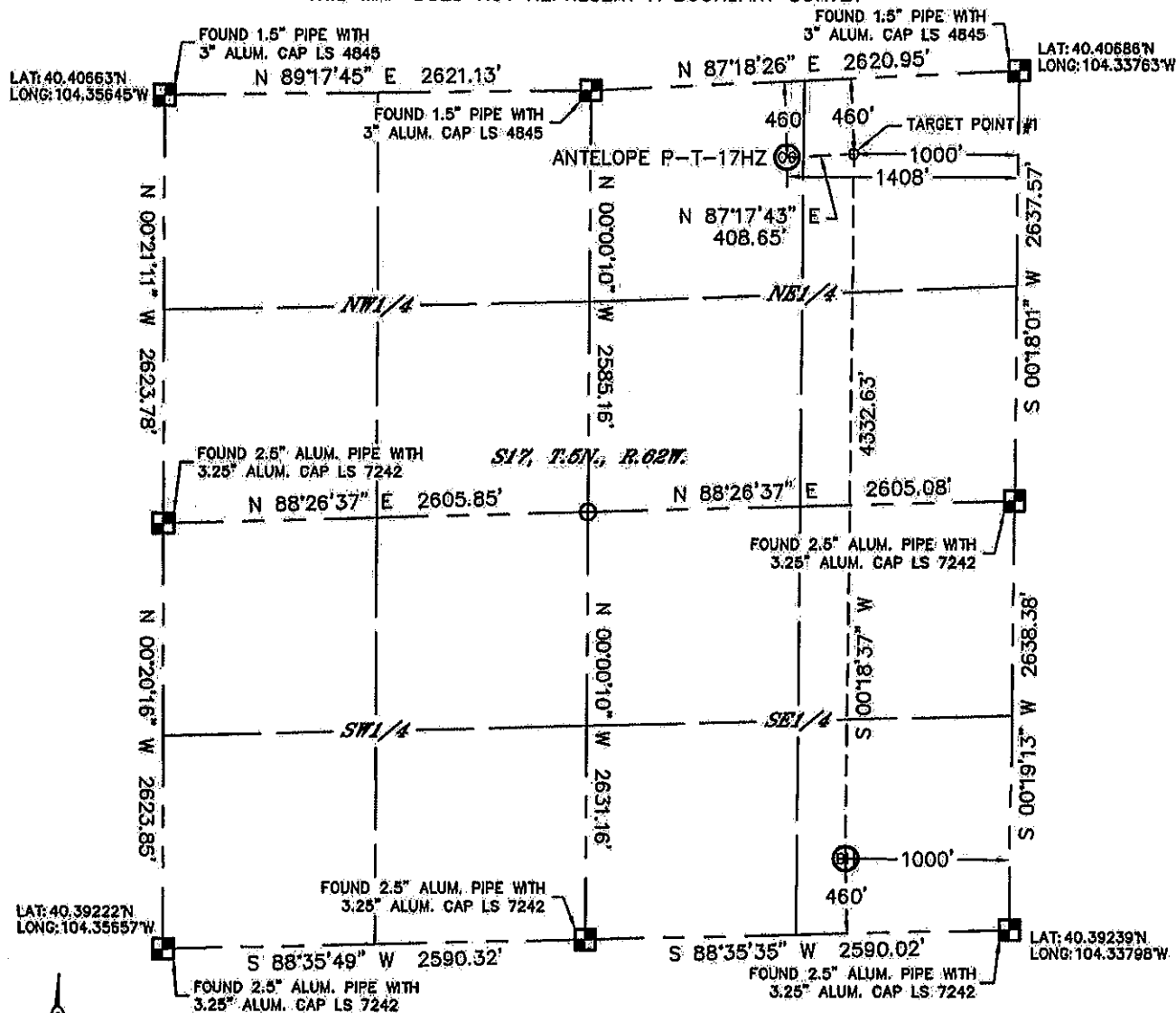


Lat40°, Inc. 1635 Foxtrail Drive, Suite 325 Loveland, CO 970-776-3321

# WELL LOCATION CERTIFICATE

SECTION: 17  
TOWNSHIP: 5N  
RANGE: 62W

THIS MAP DOES NOT REPRESENT A BOUNDARY SURVEY



In accordance with a request from Keith Caplan with **BONANZA CREEK ENERGY, INC.**, Lat40°, Inc. has determined the surface location of the **ANTELOPE P-T-17HZ** to be 460' from the NORTH line and 1408' from the EAST line and the bottom hole to be 460' from the SOUTH line and 1000' from the EAST line as measured at right angles from the section lines of Section 17, Township 5 North, Range 62 West of the Sixth Principal Meridian, County of Weld, State of Colorado.

I hereby state that this Well Location Certificate was prepared by me, or under my direct supervision, that the fieldwork was completed on 4/11/2012, for and on behalf of **BONANZA CREEK ENERGY, INC.** That this is not a Land Survey Plat or an Improvement Survey Plat, and that it is not to be relied upon for establishment of fence, building, or other future improvement lines.

## NOTE:

- 1) Bearings shown are Grid Bearings of the Colorado State Plane Coordinate System, North Zone, North American Datum 1983/2007. The lineal dimensions as contained herein are based upon the "U.S. Survey Foot."
- 2) Ground elevations are based on an observed GPS elevation (NAVD 1988 DATUM).
- 3) IMPROVEMENTS: See **LOCATION DRAWING** for all visible improvements within 400' of disturbed area.
- 4) SURFACE USE: RANGELAND
- 5) INSTRUMENT OPERATOR: WYATT HALL

## NOTE

According to Colorado law, you must commence any legal action based upon any defect in this W.L.C. within three years after you discover such defect. In no event, may any action based upon any defect in this survey be commenced more than ten years after the date of the certificate shown hereon: (13-80-105 C.R.S.)

## LEGEND

- = ALIQUOT MONUMENT AS DESCRIBED
- = CALCULATED POSITION

## SURFACE LOCATION

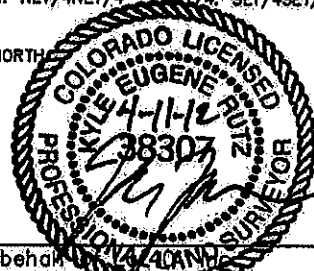
LAT: 40.40547°N  
LONG: 104.34272°W  
PDOP: 2.0  
ELEV: 4694'  
1/4, 1/4: NW1/4NE1/4  
NEAREST PROPERTY LINE: 460' NORTH

## TARGET POINT #1

LAT: 40.40551°N  
LONG: 104.34128°W  
1/4, 1/4: NE1/4NE1/4

## BOTTOM HOLE


















LAT: 40.39382°N  
LONG: 104.34154°W  
1/4, 1/4: SE1/4SE1/4



Kyle E. Rutz-On behalf of  
Colorado Licensed Professional Surveyor  
Land Surveyor No. 38307  
4/11/2012  
PROJECT#: 2012052

**Bonanza Creek Energy, Inc**  
**Weld County, Colorado**

**70 Ranch SUA - Exhibit B**

-  Pad\_Facility
-  Pad\_Facility (Proposed)
-  Pad\_Well\_Vert (Proposed)
-  Pad\_Well\_Vertical
-  ROW Request
-  Facility\_Production
-  Facility\_Production (Proposed)
-  Pipeline-Gas Sales Line
-  Pipeline\_Gathering
-  Pipeline\_Gathering (Proposed)
-  ROW (Requested)
-  Road-Main
-  Road\_Lease
-  Road\_Lease (Proposed)
-  Road\_Lease\_70R Access
-  Well\_SHL
-  Well\_SHL (Proposed)

