



09 November 2012

Attn: Land Manager/Wattenberg
Andarko Petroleum Corporation
1099 18th Street, #18000
Denver, Colorado 80202

Certified Mail
Return Receipt
7011 3500 0001 2342 4166

Re: Notice of 318A(I).a.(4)D. Proposed Horizontal Wellbore Spacing Unit
Antelope K-O-18HNB

Attention: Land Manager Wattenberg

Bonanza Creek Energy, Inc. (Bonanza) intends to permit, drill and operate the referenced Horizontal Well. The well surface hole location is to be located in NW1/4 NW1/4 (624' FNL, 1278' FWL) Sec. 18-T5N-R62W, Weld County, Colorado.

As defined by the Colorado Oil and Gas Conservation Commission (COGCC) Rule 318A(I).a.(4)D., the Horizontal Wellbore Spacing Unit is proposed as follows: E/2 W/2 & W/2 E/2 Section 18, Township 5N, Range 62W, 6th PM, Weld County, CO. The planned top of production zone is 510' FNL, 2374' FWL; and the planned bottom of production zone is 470' FSL, 2415' FWL. For your reference, a map depicting the standup 320 acre proposed spacing unit and surveyor's plat are attached.

The anticipated spud date is on or after January 2, 2013.

Andarko Petroleum Corporation is identified as a mineral owner in a portion of the proposed spacing unit. Per rule 318A(I).e.(6), Andarko Petroleum Corporation has 30 days from the date of this letter to object to the proposed spacing unit, in writing, to Bonanza, with a copy provided directly to the COGCC Director.

If there is no objection to the proposed spacing unit, Bonanza respectfully requests you sign and return the waiver form on the next page. For your convenience, a self-addressed stamped envelope (SASE) is provided.

Please do not hesitate to call or email me, directly, at (720) 440-6112 or kcaplan@bonanzacrk.com, should you have any questions pertaining to this matter.

Thank you for your cooperation.

Sincerely,
BONANZA CREEK ENERGY, INC

A handwritten signature in blue ink, appearing to read 'Keith S. Caplan'.

Keith S. Caplan
Sr. Regulatory Specialist

enclosures



Mineral Lease Holder's Response Letter
Antelope K-O-18HNB Proposed Wellbore Spacing Unit

Having reviewed Bonanza Creek Energy, Inc.'s **Notice of 318A(I).a.(4)D. Proposed Horizontal Wellbore Spacing Unit** dated **08 November 2012**, the undersigned Mineral Lease Owner, hereby makes the following response to the issue of **Notice and Consultation**; to wit –

The undersigned Mineral Lease Owner, **Andarko Petroleum Corporation** or its Designated Representative, agrees to **WAIVE** the right to object to the formation of the proposed wellbore spacing unit, as defined by the Colorado Oil and Gas Conservation Commission ("COGCC").

YES: _____ **NO:** _____

Signed and Dated this _____ day of _____, **2012**.

MINERAL OWNER or DESIGNATED REPRESENTATIVE:

By _____ By _____

Title: _____ Title: _____

Designated Representative (if any)

Designated Representative (Agent): _____

Address: _____

Telephone: Home _____ Work _____

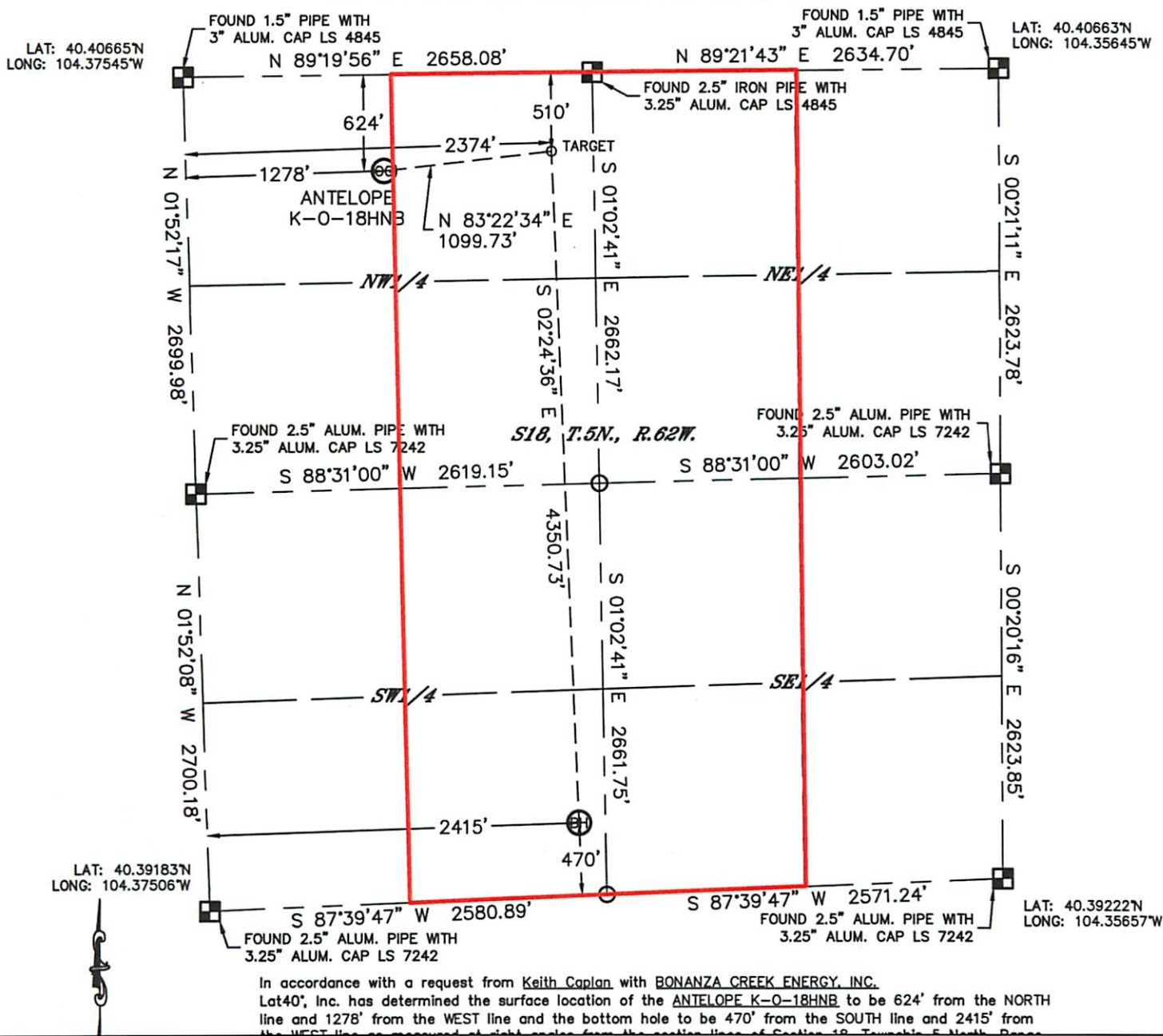


Lat40°, Inc. 1635 Foxtrail Drive, Suite 325 Loveland, CO 970-776-3321

WELL LOCATION CERTIFICATE

THIS MAP DOES NOT REPRESENT A BOUNDARY SURVEY

SECTION: 18
TOWNSHIP: 5N
RANGE: 62W



Wellbore Spacing Unit Map

08 June 2012 ksc

Antelope K-O-18HNB
E/2 W/2 & W/2 E/2Sec 18 T5N R62W 6th PM
Weld County, Colorado

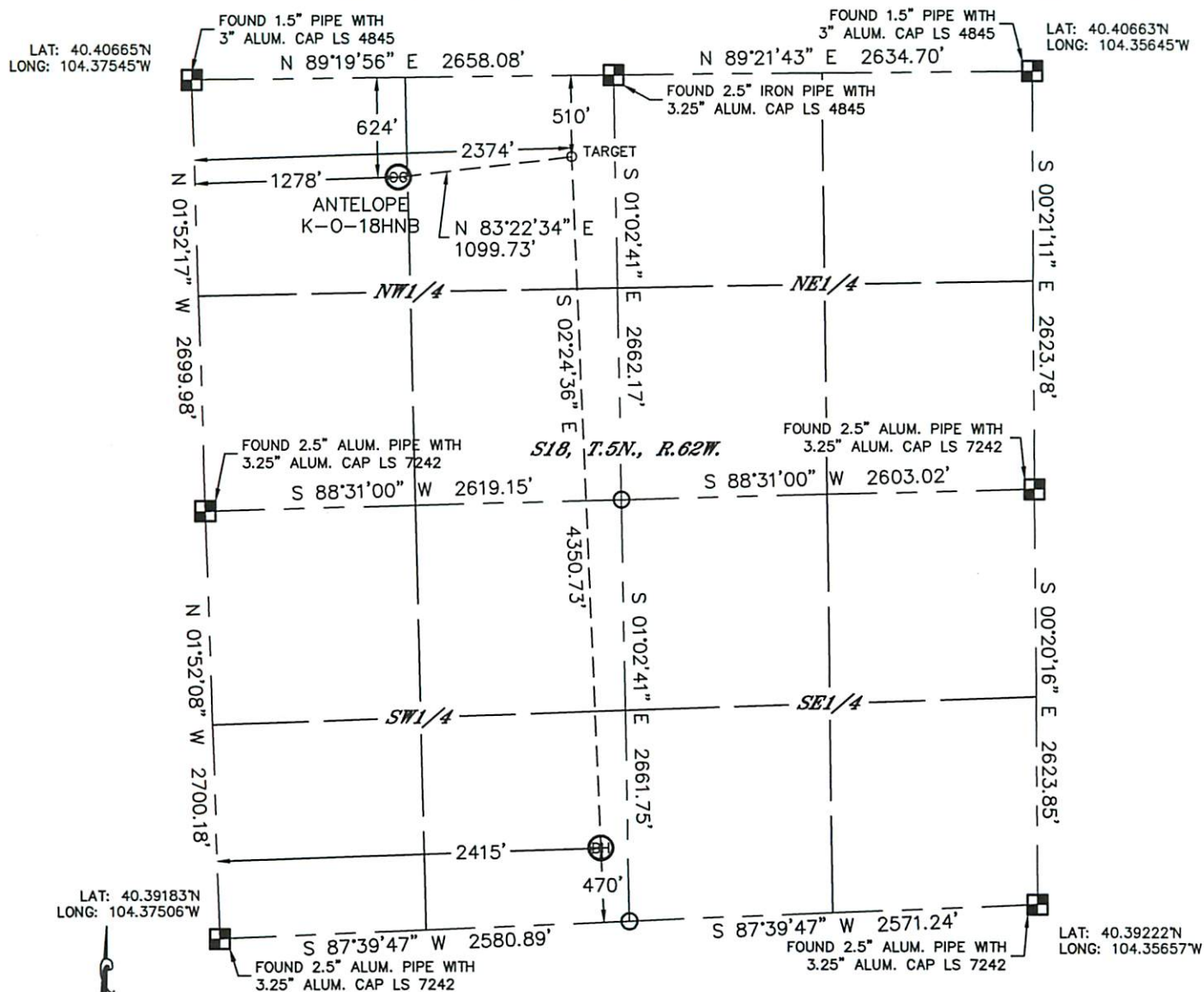


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In accordance with a request from Keith Caplan with BONANZA CREEK ENERGY, INC. Lat40°, Inc. has determined the surface location of the ANTELOPE K-O-18HNB to be 624' from the NORTH line and 1278' from the WEST line and the bottom hole to be 470' from the SOUTH line and 2415' from the WEST line as measured at right angles from the section lines of Section 18, 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 10/29/2012, 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: EXISTING PAD
- 5) INSTRUMENT OPERATOR: BRIAN ROTTINGHAUS

SURFACE LOCATION

LAT: 40.40493°N
LONG: 104.37081°W
PDOP: 2.0
ELEV: 4614'
1/4,1/4: NW1/4NW1/4
NEAREST PROPERTY LINE: 624' NORTH

TARGET

LAT: 40.40524°N
LONG: 104.36689°W
1/4,1/4: NE1/4NW1/4

BOTTOM HOLE

LAT: 40.39330°N
LONG: 104.36643°W
1/4,1/4: SE1/4SW1/4

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

Kyle E. Rutz—On behalf of Lat40°, Inc.
Colorado Licensed Professional Land Surveyor No. 38307
PROJECT#: 2012071

