

May 4, 2016



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

Bonanzacrk.com

Colorado Oil and Gas Conservation Commission
The Chancery Building
1120 Lincoln Street, Suite 801
Denver, CO 80203
Matthew Lepore, Director

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

Latham 43-1 Pad NESE Sec. 1, T4N, R63W, 6th PM, Weld County, Colorado

LATHAM P41-T44-12HNB (1834' FSL, 709' FEL) Doc# 401012472

LATHAM S-1-12MRLC (1831' FSL, 729' FEL) Doc# 401012482

Director Lepore:

Bonanza Creek Energy Operating Company LLC ("Bonanza") intends to drill the above referenced horizontal oil and gas wells to the Niobrara and Codell Formation from a well pad to be located as described above. The proposed location is being permitted as an exception location, in an effort to optimize the lateral length of the associated horizontal wells. Bonanza Creek has obtained written permission in a waiver from the owner.

Additionally, under Rule 318A.c, any new twinning well is to be located within 50 feet of an existing well. Bonanza has obtained permission, contained in a waiver from the surface owner, to locate the proposed wellhead greater than 50 feet from an existing well.

Thank you for your attention to this matter. Bonanza respectfully requests that the COGCC review the enclosed information and approve the Exception Location Variance and Application for Permit to Drill the captioned wells.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Julie L. Vigil'.

Julie L. Vigil

Sr. Regulatory Specialist

BONANZA CREEK ENERGY OPERATING COMPANY LLC