



### *Director Resignation Policy*

#### Policy Statement

#### **Directors Receiving Majority Votes Withheld in Uncontested Elections**

Under the Fourth Amended and Restated Bylaws of Bonanza Creek Energy, Inc. (the “**Company**”), a nominee for director to the Company’s Board of Directors (the “**Board**”) in an uncontested election of directors is elected if he or she receives a plurality of votes cast in the election. The following procedures address the situation in which a nominee for the Company’s Board receives more “withhold” votes than votes “for” his or her election (a “**Majority Withheld Vote**”) in an uncontested election of directors. For purposes of this policy, an “uncontested election of directors” is any election of directors in which the number of nominees for election does not exceed the number of directors to be elected.

Each nominee to the Company’s Board shall submit, at the time of such nominee’s nomination, a contingent resignation in writing to the chairman of the Nominating and Corporate Governance Committee (the “**Committee**”), which would become effective only if (i) the director receives a Majority Withheld Vote at the annual stockholders’ meeting in question and (ii) the Board accepts the resignation.

To the extent applicable, the Committee will consider any such tendered resignation and, within seventy-five (75) days following the date of the stockholders’ meeting at which the election occurred, will make a recommendation to the Board concerning the acceptance or rejection of such resignation. In determining its recommendation to the Board, the Committee will consider all factors deemed relevant by the Committee including, without limitation, (i) the stated reason or reasons for the Majority Withheld Vote, (ii) the qualifications of the director (including, for example, whether the director serves on the audit committee of the Board as an “audit committee financial expert” and whether there are one or more other directors qualified, eligible and available to serve in such capacity), (iii) the overall composition of the Board and whether accepting the resignation would cause the Company to violate any applicable rule or regulation (including NYSE listing standards and federal securities laws), and (iv) whether the director’s resignation from the Board would be in the best interests of the Company and its stockholders.

The Committee will also consider a range of possible alternatives concerning the director’s tendered resignation as the Committee deem appropriate, which may include, without limitation, (i) acceptance of the resignation, (ii) rejection of the resignation, (iii) deferring acceptance of the resignation until the Board can find a replacement director with the necessary qualifications to fill the vacancy that accepting the resignation would create, (iv) rejection of the resignation coupled with an agreement that the director will not be nominated for re-election to the Board at the next election of directors, or (v) rejection of the resignation coupled with a commitment to seek to address and cure the underlying reasons reasonably believed by the Committee to have substantially resulted in the Majority Withheld Vote (for example, if the Majority Withheld Vote was due to overboarding, by resigning from other company boards).

The Board will take formal action on the Committee’s recommendation no later than ninety (90) days following the date of the stockholders’ meeting at which the election occurred. In considering the

Committee's recommendation, the Board will consider the information, factors and alternatives considered by the Committee and such additional information, factors and alternatives as the Board deems relevant.

After the Board makes a formal decision on the Committee's recommendation, the Company shall publicly disclose this action in a Form 8-K filed with the Securities and Exchange Commission within four business days of the decision. If the Board has determined to take any action other than acceptance of the resignation, the Form 8-K shall also include the Board's rationale supporting its decision.

No director whose resignation, in accordance with this policy, is required to be considered by the Board, shall participate in the Committee's deliberations or recommendation, or in the Board's deliberations or determination, with respect to accepting or rejecting his resignation as a director.

If other directors who are members of the Committee receive a Majority Withheld Vote in the same uncontested election of directors, so that a quorum of the Committee cannot be achieved, then the other independent directors of the Board who received more "for" votes than "withheld" in that election will consider and decide what action to take regarding the resignation of each director who received a Majority Withheld Vote. If three or fewer independent directors on the Board did not receive a Majority Withheld Vote in the same election, then all independent directors on the Board shall participate in deliberations and actions regarding director resignations except that no director can participate in the vote on his or her own resignation.

For the avoidance of doubt, this section does not apply to any contested stockholders' meeting, which is any meeting of stockholders where the number of nominees for director is greater than the number of directors to be elected to the Board.

### **Directors Whose Circumstances Change**

Each director shall promptly, and in any event within thirty (30) days, notify the chairman of the Board of the occurrence of any of the following circumstances and tender to the Board a conditional resignation from the Board: (i) a material change in such director's present job responsibility or such director's principal occupation or business associations, including, without limitation, becoming a director, officer or consultant to another company; (ii) the failure to attend at least 75% of all Board meeting and committee meetings of which such director is a member during the preceding calendar year; or (iii) any other change in the personal or professional circumstances of the director that might reasonably be perceived as creating a potential conflict of interest or adversely affecting the director's ability to continue to serve effectively as a director of the Company. The Committee will review the circumstances surrounding the conditional resignation and the director's ability to continue to serve effectively as a member of the Board and then make a recommendation to the Board as to whether the Board should accept the director's resignation.

In making its recommendation and deciding whether to accept or reject the resignation, each of the Committee and the Board shall consider all factors they deem relevant, including, as applicable, (i) the director's new occupation, employment or business affiliation or job responsibilities, (ii) the qualifications and tenure of the director, (iii) the director's past and expected future contributions to the Company, (iv) the overall composition of the Board and whether accepting the resignation would cause the Company to violate any applicable rule or regulation (including NYSE listing standards and federal securities laws) or any of its material agreements, and (v) whether the resignation would be in the best interests of the Company and its shareholders. In determining what action to take regarding the director's resignation, each of the Committee and the Board may consider a range of alternatives as they deem appropriate, including (i) accepting the resignation, (ii) rejecting the resignation, (iii) rejecting the

resignation to allow the director to remain on the Board but agreeing that the director will not be nominated for reelection to the Board at the next election of directors or (iv) deferring acceptance of the resignation until the Board can find a replacement director with the necessary qualifications to fill the vacancy that accepting the resignation would create.

If the Board determines to accept the resignation, the Company shall publicly disclose this action in a Form 8-K filed with the Securities and Exchange Commission within four business days of the decision.

A director who tenders a conditional resignation shall not participate in the deliberations of the Committee or the Board with respect to such resignation.

### **Executive Directors**

Executive directors shall resign from the Board upon their removal, resignation or retirement as an officer of the Company. This policy can be waived by the unanimous consent of the independent directors.

Approved by the Board on November 12, 2018.