



BAYSWATER
EXPLORATION & PRODUCTION, LLC

November 18, 2011

VIA CERTIFIED MAIL

Mr. Robert J. Zarlengo
ERN Limited Partnership et al
7100 W. 44th Avenue, No. 201
Wheat Ridge, CO 80033-4754

RE: Surface Owner Notification
W/2 of Section 4, T1S, R67W
Zarlengo 6-4 (SE/4NW/4)
Zarlengo 14-4 (SE/4SW/4)
Adams County, Colorado

Dear Mr. Zarlengo:

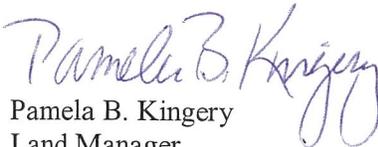
Per your discussions with Don Barbula with Bayswater Exploration & Production, LLC (Bayswater,) we plan to drill two new oil and gas wells located on property for which you are the surface owner of record in the W/2 of Section 4, Township 1 South, Range 67 West, Adams County, Colorado. Pursuant to Rule 305 of the rules of the Colorado Oil and Gas Conservation Commission (COGCC) Bayswater provides the following information to you:

1. The operator of the captioned well is Bayswater Exploration & Production, LLC.
2. Bayswater intends to commence operations for the drilling of the captioned wells in the near future. Due to rig availability and scheduling, we estimate the commencement of operations with heavy equipment, as soon as the first part of January 2012.
3. The location of the captioned wells is referenced above and more specifically identified on the well location certificates enclosed with this letter.
4. Under the COGCC rules the surface owner is responsible for notifying any affected tenant of the proposed operations.
5. Under COGCC Rule 306, the affected surface owner is entitled to a consultation with the operator.
6. Also enclosed is a copy of the COGCC's informational brochure for surface owners containing rules pertaining to notice of oil and gas operations and opportunities for consultation thereon.
7. Further, enclosed is a copy of the COGCC's Onsite Inspection Policy.

Additionally, as you discussed with Mr. Barbula, we will contact you shortly regarding a surface damage agreement covering the locations.

Please call me at 303-893-2503 ext. 214 with any questions you may have concerning the proposed operations.

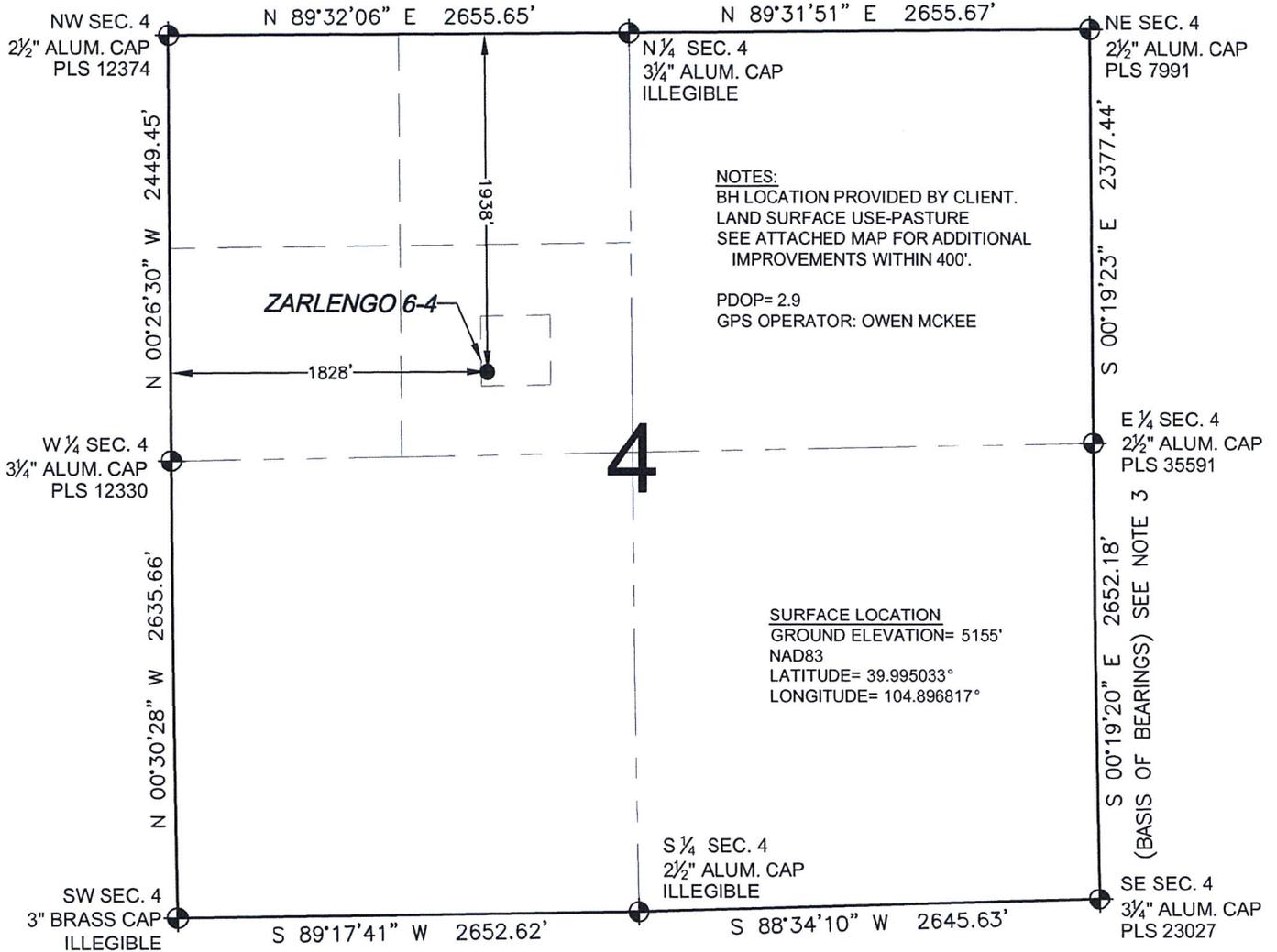
Thank you,


Pamela B. Kingery
Land Manager

Enclosures

WELL LOCATION CERTIFICATE: ZARLENGO 6-4

SECTION 4, TOWNSHIP 1 SOUTH, RANGE 67 WEST, 6TH P.M.



NOTES:
 BH LOCATION PROVIDED BY CLIENT.
 LAND SURFACE USE-PASTURE
 SEE ATTACHED MAP FOR ADDITIONAL
 IMPROVEMENTS WITHIN 400'.

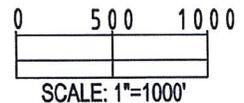
PDOP= 2.9
 GPS OPERATOR: OWEN MCKEE

SURFACE LOCATION
 GROUND ELEVATION= 5155'
 NAD83
 LATITUDE= 39.995033°
 LONGITUDE= 104.896817°

WELL ZARLENGO 6-4 TO BE LOCATED 1938' FNL AND 1828' FWL

LEGEND

- ⊕ = EXISTING MONUMENT
- ⊙ = PROPOSED WELL
- ⊕ = BOTTOM HOLE
- ◆ = EXISTING WELL
- BH = BOTTOM HOLE



NOTES:

1. THIS FIELD SURVEY CONFORMS TO THE MINIMUM STANDARDS SET BY THE C.O.G.C.C., RULE NO. 215
2. HORIZONTAL POSITIONS AND ORTHOMETRIC ELEVATIONS SHOWN AT THE WELL HEAD, ARE BASED ON GPS-RTK POSITIONS DERIVED FROM MINIMUM 2-HOUR STATIC OBSERVATIONS CORRECTED BY THE NATIONAL GEODETIC SURVEY ONLINE POSITIONING USER SERVICE, O.P.U.S. DATUM: HORIZONTAL = NAD83/2007, VERTICAL = NAVD88
3. THE BASIS OF BEARINGS ARE STATE PLANE COORDINATE SYSTEM GRID BEARINGS SHOWN HEREON BETWEEN THE DESCRIBED THE MONUMENTS SHOWN HEREON.
4. GRID DISTANCES ARE SHOWN, AS MEASURED IN THE FIELD, WITH TIES TO WELLS MEASURED PERPENDICULAR TO SECTION LINES.

I, L. KELLEY STEVENSON, A LICENSED PROFESSIONAL LAND SURVEYOR IN THE STATE OF COLORADO DO HEREBY CERTIFY TO **BAYSWATER EXPLORATION & PRODUCTION, LLC**, THAT THE SURVEY AND WELL LOCATION CERTIFICATE SHOWN HEREON WERE DONE BY ME OR UNDER MY DIRECT SUPERVISION AND THAT THE DRAWING SHOWN HEREON ACCURATELY DEPICTS THE PROPOSED LOCATION OF THE WELL. THIS CERTIFICATE DOES NOT REPRESENT A LAND SURVEY PLAT OR IMPROVEMENT SURVEY PLAT AS DEFINED BY C.R.S. 38-51-102 AND CANNOT BE RELIED UPON TO DETERMINE OWNERSHIP.



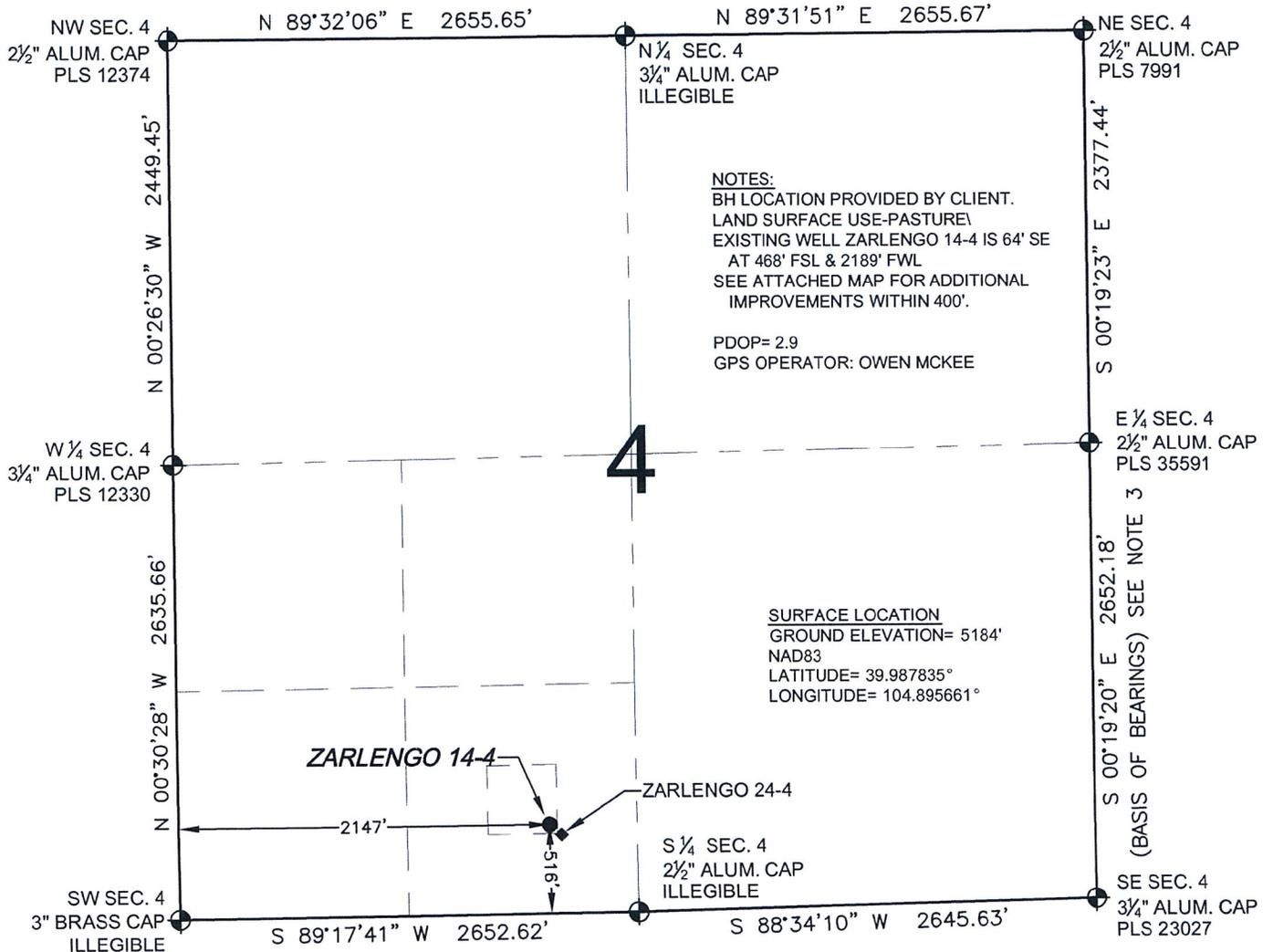
L. KELLEY STEVENSON, PLS 38231
 COLORADO LICENSED PROFESSIONAL LAND SURVEYOR
 FOR AND ON BEHALF OF P.F.S., LLC

PREPARED BY:  PFS Petroleum Field Services, LLC 1801 W. 136 Ave. Denver, CO 80204	FIELD DATE: 11-01-11	SURFACE LOCATION: SE 1/4 NW 1/4, SEC. 4, T1S, R67W, 6TH P.M. ADAMS COUNTY, COLORADO
	DRAWING DATE: 11-03-11	BY: SMF

NOTICE: ACCORDING TO COLORADO LAW YOU MUST COMMENCE ANY LEGAL ACTION BASED UPON ANY DEFECT IN THIS SURVEY WITHIN THREE YEARS AFTER YOU FIRST DISCOVER SUCH DEFECT. IN NO EVENT MAY ANY ACTION BASED UPON ANY DEFECT IN THIS SURVEY BE COMMENCED MORE THAN TEN YEARS FROM THIS SAID DATE OF THIS CERTIFICATION SHOWN HEREON.

WELL LOCATION CERTIFICATE: ZARLENGO 14-4

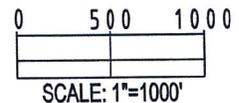
SECTION 4, TOWNSHIP 1 SOUTH, RANGE 67 WEST, 6TH P.M.



WELL ZARLENGO 14-4 TO BE LOCATED 516' FSL AND 2147' FWL

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L. KELLEY STEVENSON, PLS 38231
 COLORADO LICENSED PROFESSIONAL LAND SURVEYOR
 FOR AND ON BEHALF OF P.F.S., LLC

PREPARED BY: 1801 W. 13th Ave. Denver, CO 80204	FIELD DATE: 11-01-11	SURFACE LOCATION: SE 1/4 SW 1/4,
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	BY: SMF	ADAMS COUNTY, COLORADO

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