

July 9, 2012

Mr. Thom Kerr
Colorado Oil & Gas Commission
1120 Lincoln St. Suite 801
Denver, CO 80203



1801 W. 13th Ave
Denver, CO 80204
Ph: 303.928.7128
Rifle Ph: 970.625.4740
www.petro-fs.com

RE: BOOTH 3-23 10 Well Pad
Weld County, Colorado
Well Name: BOOTH 21-23

Dear Mr. Kerr,

Bayswater Exploration & Production, LLC (Bayswater) is planning to drill the above captioned well in accordance with the provisions of COGCC Rule 318A.e.

Bayswater's proposed wellbore spacing unit consists of:

- NWNE, Section 23, T7 North, R65 West
- SWNE, Section 23, T7 North, R65 West
- SENW, Section 23, T7 North, R65 West
- NENW, Section 23, T7 North, R65 West

Creating a 160 acre wellbore spacing unit. Bayswater is not the only owner within the proposed wellbore spacing unit and as such provided notice to the remaining owner(s) within the said proposed spacing unit as required under COGCC Rule 318A.e(6). Copies of the required notice letter(s) is/are on file at the Bayswater offices. The required twenty (30) day notice period has elapsed absent the receipt by Bayswater of an objection to said proposal by the owner(s) within the proposed spacing unit for this well.

Enclosed is a copy of the following document to assist you in your review and approval of Bayswater's proposed APD for the above captioned well:

- Plat illustrating the proposed wellbore spacing unit

Thank you for your attention to the enclosed. Bayswater Exploration & Production, LLC. respectfully requests that the COGCC review the enclosed information and approve the requested exception location waivers and Application for Permit to Drill for the above captioned wells.

Very Respectfully,

A handwritten signature in blue ink that reads "Kristi McRedmond". The signature is written in a cursive, flowing style.

Kristi McRedmond
Regulatory Technician, Petroleum Field Services
Agent for Bayswater Exploration & Production, LLC

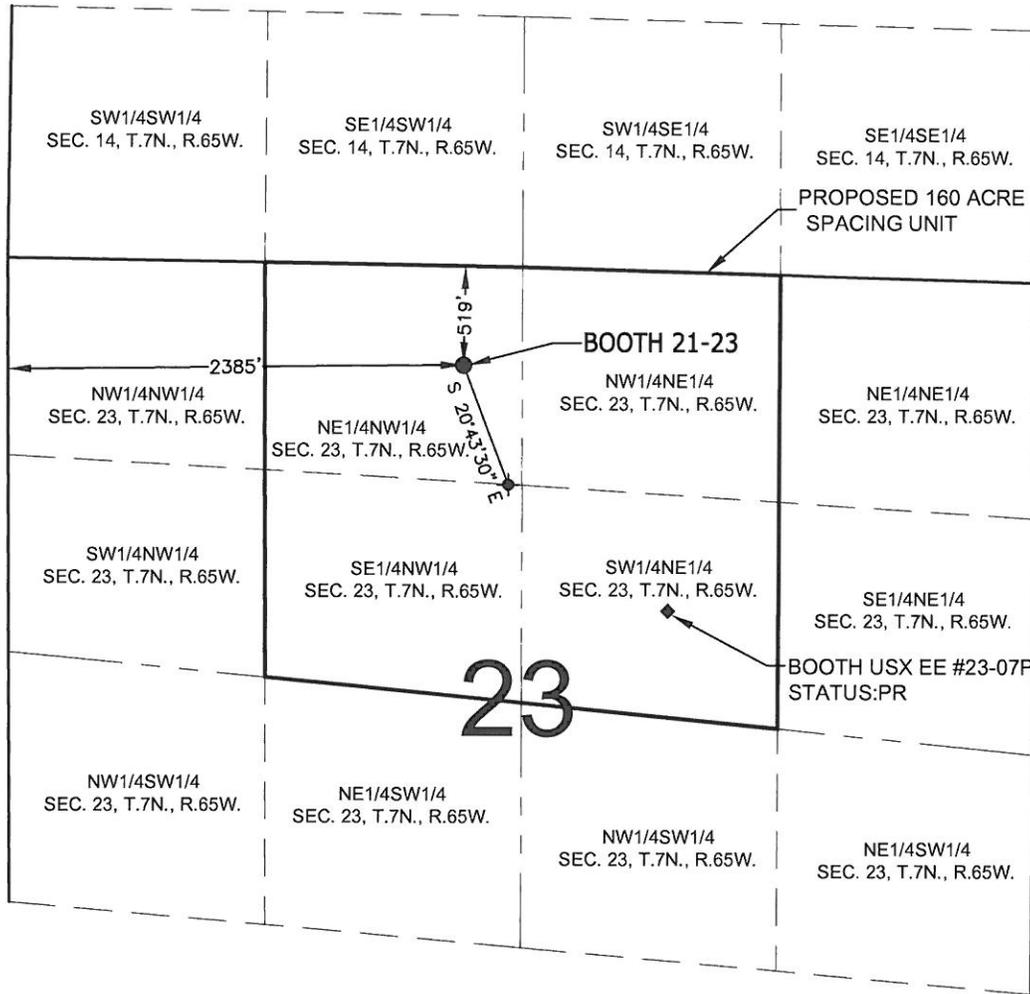
We are what we repeatedly do. Excellence, then, is not an act, but a habit.

-Aristotle

PROPOSED 318 Ae SPACING UNIT

SECTION 23, TOWNSHIP 7 NORTH, RANGE 65 WEST, 6TH P.M.

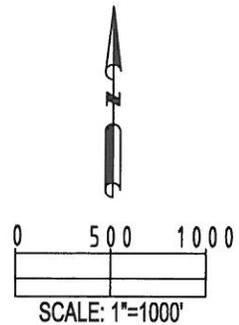
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WELL BOOTH 21-23 TO BE LOCATED 519' FNL AND 2385' FWL, T7N, R65W, SEC. 23

LEGEND

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



PREPARED BY: Petroleum Field Services, LLC 1801 W. 13th Ave. Denver, CO 80204	FIELD DATE: 03-20-12 DRAWING DATE: 07-09-12 BY: TJN	SURFACE LOCATION: NE 1/4 NW 1/4, SEC. 23, T7N, R65W WELD COUNTY, COLORADO
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