



Integrated Petroleum Technologies, Inc.

August 22, 2014

VIA HAND DELIVERY

Bayswater Exploration & Production LLC  
730 17<sup>th</sup> St., Ste 610  
Denver, CO 80202

RE: Notice of Intent to Propose Rule 318A.a.(4)D Horizontal Well:

Allcila #12-15H-3N Well: 601' FSL, 1859' FEL Sec. 12-T1S-R68W, Adams County, Colorado

Dear Working Interest Owner,

Mendell Finlsterre II, LLC (MFI), intends to propose, drill and operate the above referenced North-South trending horizontal well pursuant to Rule 318A.a.(4)D of the Colorado Oil and Gas Conservation Commission (COGCC). MFI will propose the well as follows:

1. **Surface and Bottom Hole Locations:**  
SHL: 601' FSL, 1859' FWL, Sec. 12-T1S-R68W  
Top of Producing Zone Location: 460' FSL, 1529' FEL, Sec. 12-T1S-R68W  
BHL: 835' FSL, 1533' FEL, Sec. 1-T1S-R68W
2. **Wellbore Spacing Unit:**  
The spacing unit for the subject well will consist of the 400-acres comprising the E/2 of Sec 12-T1S-R68W & S/2 SE/4 Sec 1-T1S-R68W. The well spacing unit is depicted on the enclosed spacing unit exhibit.
3. **Target Formations and Geologic Statement:**  
This well is planned as a Niobrara horizontal, and the well will be drilled to a sufficient depth and reach in order to test the viability of said formation.
4. **Anticipated Spud Date & Surface Use:**  
Operation to begin within 60-90 days, pending receipt of required permits, approval of title, and drilling rig availability.

Pursuant to COGCC Rule 318A.e.(6), you have thirty (30) days from receipt of this notice to object to this proposal in writing. In the event you do not respond to this notice or enter an objection within the established time period, the proposed 400 acre spacing unit set forth herein shall be established. However, should you have no objection to this proposal; your cooperation of a written reply would be greatly appreciated in the form of this 30-day waiver. The waiver may be mailed to:

Integrated Petroleum Technologies, Inc  
Attn: Paul Gottlob  
1707 Cole Boulevard, Suite 200  
Golden CO 80401

If you should have any questions, please contact the undersigned at 720-420-5747 or via email at paul.gottlob@iptenergyservices.com. Thank you for your timely consideration in this matter.

Sincerely,

Paul Gottlob  
Regulatory & Engineering Technician  
Integrated Petroleum Technologies, Inc.  
Consultants to Mendell Finlsterre II, LLC

I, Pamela B. Kinzey, acting as self or agent of Bayswater Exploration & Production LLC, owner as described in C.R.S. §34-60-103(7) of part of the above described spacing unit, with full power to execute the following, do hereby approve of Mendell Finlsterre II, LLC Allcila #12-15H-3N well on the above described lands and do hereby waive COGCC Rule 318A.e.(6) 30-day written objection requirement and grant that the proposed spacing unit may be established.

Signed Pamela B. Kinzey this 27<sup>th</sup> day of August, 2014

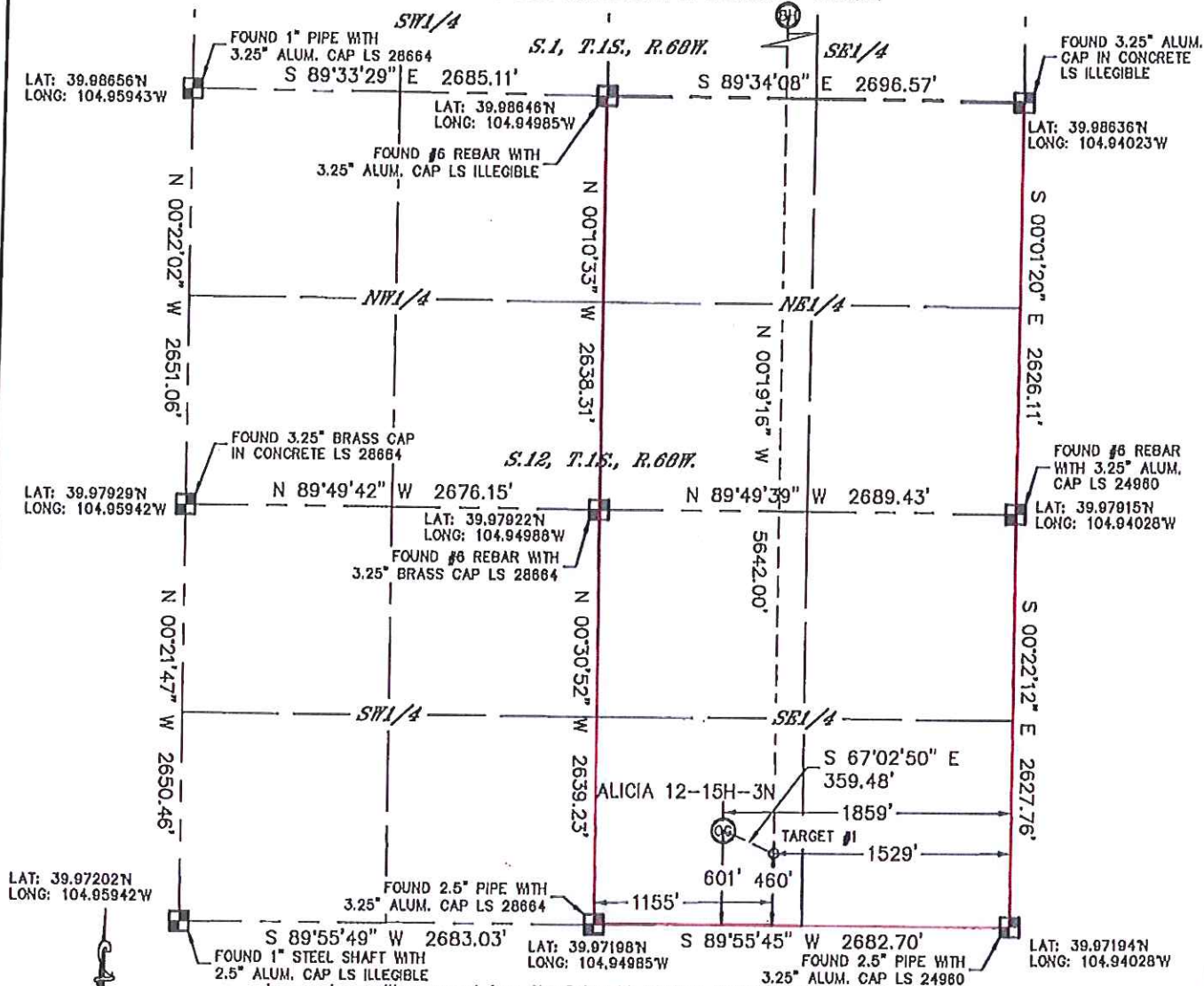


Lat40, Inc. 1635 Foxtrail Drive, Suite 325 Loveland, CO 970-776-3321

# WELL LOCATION CERTIFICATE

THIS MAP DOES NOT REPRESENT A BOUNDARY SURVEY

SECTION: 12  
TOWNSHIP: 1S  
RANGE: 68W



In accordance with a request from Clay Doka with MENDELL FINISTERRE II, LLC, Lat40, Inc. has determined the surface location of the ALICIA 12-15H-3N to be 601' from the SOUTH line and 1859' from the EAST line as measured at right angles from the section lines of Section 12, Township 1 South, Range 68 West and the bottom hole to be 835' from the SOUTH line and 1533' from the EAST line as measured at right angles from the section lines of Section 12, Township 1 South, Range 68 West of the Sixth Principal Meridian, County of Adams, 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 8/7/2014, for and on behalf of MENDELL FINISTERRE II, LLC. 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: EX. WELL LOCATION
  - 5) INSTRUMENT OPERATOR: BRIAN ROTTINGHAUS
- NEAREST CULTURAL ITEMS:  
BUILDING: ±852' NE  
BUILDING UNIT: ±671' SE  
HIGH OCCUPANCY BUILDING UNIT: ±1978' SW  
DESIGNATED OUTSIDE ACTIVITY AREA: 5280'+  
PUBLIC ROAD: ±619' S (MADISON CT.)  
ABOVEGROUND UTILITY: ±1148' SE  
RAILROAD: ±286' NW  
PROPERTY LINE: ±211' NW

**SURFACE LOCATION**  
LAT: 39.97362N  
LONG: 104.94691W  
PDOP: 1.0  
ELEV: 5150'  
1/4, 1/4: SW1/4SE1/4

**BOTTOM HOLE**  
LAT: 39.98871N  
LONG: 104.94572W

**TARGET #1**  
LAT: 39.97323N  
LONG: 104.94573W

## LEGEND

- = ALIQUOT MONUMENT AS DESCRIBED  
○ = CALCULATED POSITION

SHEET 1 OF 2

Brian T. Brinkman - On Duty for Lat40, Inc.  
Colorado Licensed Professional  
Land Surveyor No. 38175  
DATE: 8/18/2014  
PROJECT#: 2013028



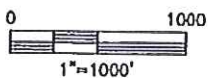
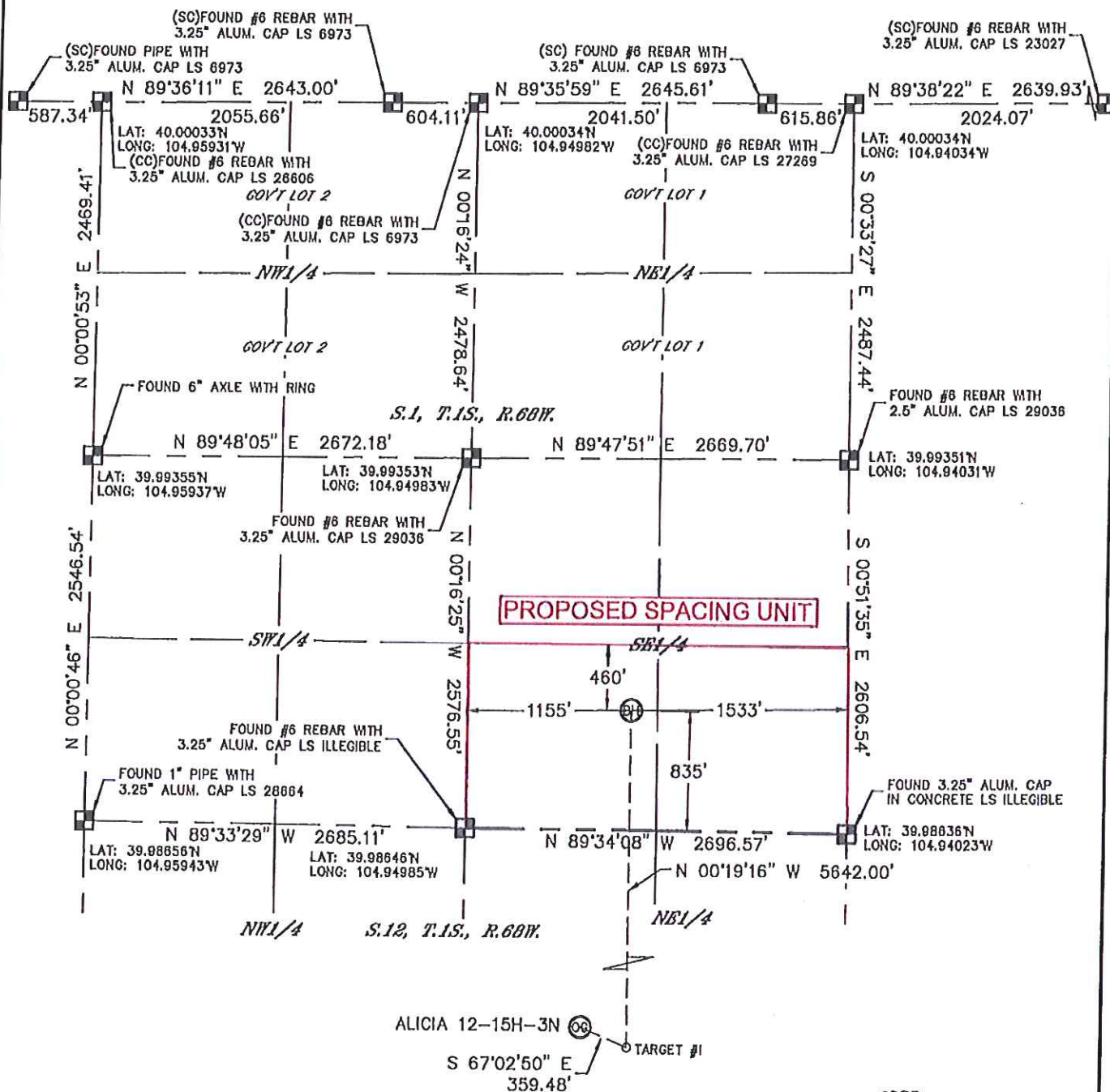


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SHEET 2 OF 2

Brilan T. Brinkman-On Behalf of Lat40°, Inc.  
Colorado Licensed Professional Land Surveyor No. 38175  
DATE: 8/18/2014  
PROJECT#: 2013026

