



January 21, 2015

VIA Email & Certified Mail Delivery

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

Synergy Resources Corporation – Current Owner  
20203 Highway 60  
Platteville, CO 80651

RE: CANCELLATION of Previously Approved PSU & 30 Day Waivers

**Alicia #12-15H-5N Well: 560' FSL, 1919' FEL Sec. 12-T1S-R68W, Adams County, Colorado**

Dear Previous Working Interest Owner,

Mendell Finisterre II, LLC (MFII), has decided to drill and complete the above referenced well to just a 1 Mile Lateral, thus Cancelling the previously approved 1-1/4 & 1-1/2 Mile PSU's with Bayswater Exploration & Production, LLC. Attached are copies of the previously approved PSU's and 30 Day Waivers with "CANCELLED – EFFECTIVE 1/21/2015" notifications added. Based upon this change Bayswater/Synergy no longer has an interest in this well.

If you should have any questions, please contact the undersigned at 720-420-5747 or via email at [paul.gottlob@iptenergyservices.com](mailto:paul.gottlob@iptenergyservices.com)

Sincerely,

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



July 17, 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:

Alicia #12-15H-5 Well: 560' FSL, 1919' FEL Sec. 12-T1S-R68W, Adams County, Colorado

Dear Working Interest Owner,

Mendell Finisterre II, LLC (MFII), 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). MFII will propose the well as follows:

1. **Surface and Bottom Hole Locations:**  
SHL: 560' FSL, 1919' FWL, Sec. 12-T1S-R68W  
Top of Producing Zone Location: 460' FSL, 2189' FEL, Sec. 12-T1S-R68W  
BHL: 831' FSL, 2192' FEL, Sec. 1-T1S-R68W
2. **Wellbore Spacing Unit:**  
The spacing unit for the subject well will consist of the 480-acres comprising the E/2 of Sec 12-T1S-R68W & 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 480 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 this 30-day waiver. The waiver may be mailed to:

Integrated Petroleum Technologies, Inc  
Attn: Clayton Doke  
1707 Cole Boulevard, Suite 200  
Golden CO 80401

If you should have any questions, please contact the undersigned at 720-420-5719 or via email at clay.doke@iptenergyservices.com. Thank you for your timely consideration in this matter.

Sincerely,

**CANCELLED - EFFECTIVE 1/21/2015 - Based upon Mendell Finisterre II, LLC decision to drill just a mile lateral.**

Clayton L. Doke  
Senior Engineer  
Integrated Petroleum Technologies, Inc  
Consultants to Mendell Finisterre II, LLC

I, Pamela B. Kingery, 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 Finisterre II, LLC Alicia #12-15H-5 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. Kingery this 30<sup>th</sup> day of July 2014



July 17, 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:

Alicia #12-15H-5 Well: 560' FSL, 1919' FEL Sec. 12-T1S-R68W, Adams County, Colorado

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1. **Surface and Bottom Hole Locations:**  
SHL: 560' FSL, 1919' FWL, Sec. 12-T1S-R68W  
Top of Producing Zone Location: 460' FSL, 2189' FEL, Sec. 12-T1S-R68W  
BHL: 2122' FSL, 2179' FEL, Sec. 1-T1S-R68W
2. **Wellbore Spacing Unit:**  
The spacing unit for the subject well will consist of the 480-acres comprising the E/2 of Sec 12-T1S-R68W & SE/4 Sec 1-T1S-R68W. The well spacing unit is depicted on the enclosed spacing unit exhibit.
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**CANCELLED - EFFECTIVE 1/21/2015 - Based upon Mendell Finisterre II, LLC decision to drill just a mile lateral.**

Clayton L. Doke  
Senior Engineer  
Integrated Petroleum Technologies, Inc  
Consultants to Mendell Finisterre II, LLC

I, Pamela B. Kinzery, 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 Finisterre II, LLC Alicia #12-15H-5 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. Kinzery this 30<sup>th</sup> day of July, 2014