



June 26, 2015

Mr. Matt Lepore, Director
Colorado Oil and Gas Conservation Commission
1120 Lincoln Street, Suite 801
Denver, Colorado 80203

7535 Hilltop Circle
Denver, CO 80221
www.petro-fs.com

**RE: COGCC Rule 318A.e.: Proposed Spacing Unit
Hester Farms A-36HN: Lot 2 Section 31, Township 7 North, Range 66 West
Weld County, Colorado**

Dear Mr. Lepore:

Bayswater Exploration & Production, LLC (Bayswater) is planning to drill the above referenced well in accordance with the provisions set out in Colorado Oil and Gas Conservation Commission (COGCC) Rule 318A.e. Bayswater's Proposed Spacing Unit consists of:

S½S½ of Section 25, Township 7 North, Range 67 West
N½N½ of Section 36, Township 7 North, Range 67 West
Containing 320.00 acres, more or less

Bayswater is not the only owner within the Proposed Spacing Unit and has provided notice to the remaining owners, as required by COGCC Rule 318A.e.(6). Copies of the required notification letters are on file at Bayswater's office. The required thirty (30) day notice period has elapsed absent the receipt by Bayswater of any objection to their proposal by the owners within the Proposed Spacing Unit for the subject well.

Enclosed is the Proposed Spacing Unit Exhibit to assist in your review and approval of Bayswater's proposed Application for Permit to Drill for the Hester Farms A-36HN Well. Many thanks for your attention to this matter.

Respectfully,

A handwritten signature in blue ink that reads "Jeff Annable". The signature is fluid and cursive.

Jeff Annable
Regulatory Technician
Agent for Bayswater Exploration & Production, LLC

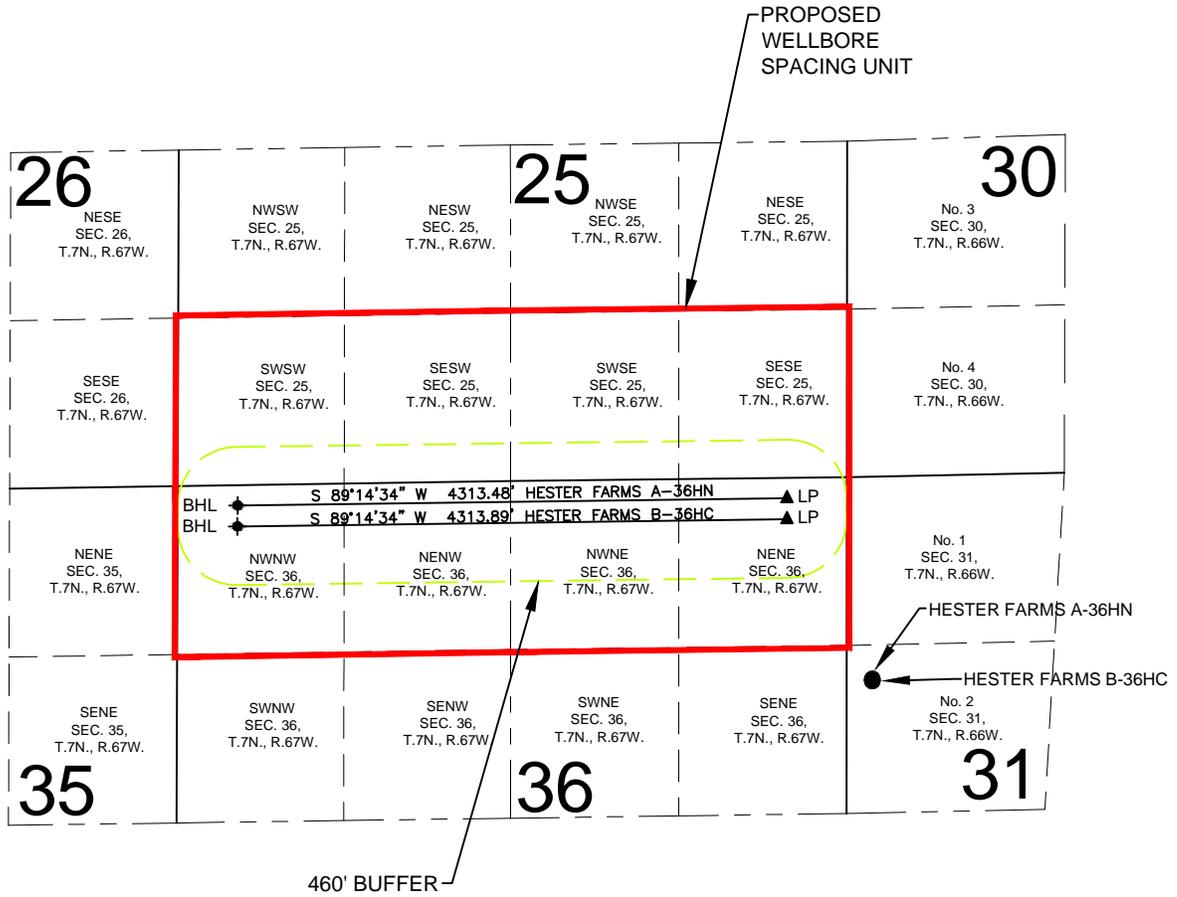
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Enclosure: Proposed Spacing Unit Exhibit

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

-Aristotle

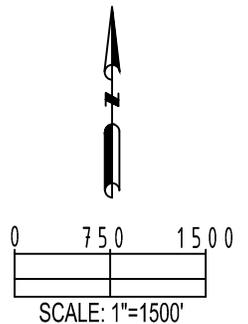
**HESTER FARMS 31-H PAD
PROPOSED 318A.e. SPACING UNIT
SEC. 25, T7N, R67W: S2S2
SEC. 36, T7N, R67W: N2N2**



WELL **HESTER FARMS A-36HN** TO BE LOCATED 1589' FNL AND 202' FWL, SEC. 31, T7N, R66W
 WELL **HESTER FARMS B-36HC** TO BE LOCATED 1604' FNL AND 202' FWL, SEC. 31, T7N, R66W

LEGEND

- = PROPOSED WELL
- ▲ = LANDING POINT
- ◆ = BOTTOM HOLE
- SHL = SURFACE HOLE
- LP = LANDING POINT
- BHL = BOTTOM HOLE



PREPARED BY:



FIELD DATE:
04-30-15

DRAWING DATE:
05-07-15

BY:
SMF

CHECKED BY:
TJN

SITE NAME:
HESTER FARMS 31-H PAD

SURFACE LOCATION:
LOT 2 NW 1/4, SEC. 31, T7N, R66W, 6TH P.M.
WELD COUNTY, COLORADO

PREPARED FOR:

