



BAYSWATER
EXPLORATION & PRODUCTION, LLC

CERTIFIED/RETURN RECEIPT: 7015 0640 0005 0687 3392

November 16, 2015

Jack R. Schneider
1223 Baldrige Drive
Severance, Colorado 80615

RE: COGCC Rule 318A.a.: Surface Owner Exception Location Consent
COGCC Rule 318A.c.: Twinning Exception Location Consent
Schneider 31-L Pad: NESE Section 31, Township 7 North, Range 66 West
Weld County, Colorado

Dear Surface Owner:

Bayswater Exploration & Production, LLC (Bayswater) plans to drill twelve (12) wells on the Schneider 31-L Pad, specifically described as:

Schneider M-31-36HN	SHL = 1415' FSL 306' FEL	Section 31-T7N-R66W
Schneider N-31-36HC	SHL = 1400' FSL 306' FEL	Section 31-T7N-R66W
Schneider O-31-36HN	SHL = 1385' FSL 306' FEL	Section 31-T7N-R66W
Schneider P-31-36HN	SHL = 1370' FSL 306' FEL	Section 31-T7N-R66W
Schneider Q-31-36HC	SHL = 1355' FSL 305' FEL	Section 31-T7N-R66W
Schneider R-31-36HN	SHL = 1340' FSL 305' FEL	Section 31-T7N-R66W
Schneider S-31-36HN	SHL = 1325' FSL 305' FEL	Section 31-T7N-R66W
Schneider T-31-36HC	SHL = 1310' FSL 305' FEL	Section 31-T7N-R66W
Schneider U-31-36HN	SHL = 1295' FSL 305' FEL	Section 31-T7N-R66W
Schneider V-31-36HN	SHL = 1280' FSL 304' FEL	Section 31-T7N-R66W
Schneider W-31-36HC	SHL = 1265' FSL 304' FEL	Section 31-T7N-R66W
Schneider X-31-36HN	SHL = 1250' FSL 304' FEL	Section 31-T7N-R66W

Pursuant to Colorado Oil and Gas Conservation Commission (COGCC) Rule 318A.a., a well is required to be located within a square with sides 400 feet in length, the center of which is that of any governmental quarter-quarter section, and with sides 800 feet in length, the center of which is that of any governmental quarter section.

Pursuant to COGCC Rule 318A.c., any new well is to be located within 50 feet of an existing well. The proposed surface locations are approximately 538 to 598 feet from the Bosworth Bailey 16-31.

Bayswater is proposing the subject wells outside of the Greater Wattenberg Area (GWA) Drilling Windows and greater than 50 feet from an existing well as agreed to in the Surface Damage and Release Agreement dated July 10, 2015, signed by you and Bayswater.

Jack R. Schneider
November 16, 2015
Page Two



BAYSWATER
EXPLORATION & PRODUCTION, LLC

Bayswater respectfully requests your consent to locate the subject wells outside the COGCC Rules 318A.a. GWA Drilling Windows and 318A.c. greater than 50 feet from the existing well. Please sign and date the consent page and return one copy of this letter in the self-addressed stamped envelope provided herein.

If you should have any questions or require additional information, please contact Bayswater at 303.893.2503. Thank you for your consideration of this matter.

Sincerely,

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

:ja

Enclosures: Copy of letter to be signed and returned
Self-addressed stamped envelope

JACK R. SCHNEIDER

RE: COGCC Rule 318A.a.: Surface Owner Exception Location Consent
COGCC Rule 318A.c.: Twinning Exception Location Consent
Schneider 31-L Pad: NESE Section 31, Township 7 North, Range 66 West
Weld County, Colorado

I/We hereby waive the requirements that the subject wells be located within the GWA Drilling Windows and within 50 feet of an existing well, and consent to locating the subject wells where proposed, as it refers to the Schneider M-31-36HN, Schneider N-31-36HC, Schneider O-31-36HN, Schneider P-31-36HN, Schneider Q-31-36HC, Schneider R-31-36HN, Schneider S-31-36HN, Schneider T-31-36HC, Schneider U-31-36HN, Schneider V-31-36HN, Schneider W-31-36HC, Schneider X-31-36HN Wells.


(Surface Owner Signature)

17 Dec 2015
Date


Printed Name