

December 29, 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.a.: Exception Location Request
Schneider 31-L Pad: NESE Section 31, Township 7 North, Range 66 West
Weld County, Colorado**

Dear Mr. Lepore:

Bayswater Exploration & Production, LLC (Bayswater) is planning to drill 12 horizontal wells on the above referenced pad as follows:

Schneider M-31-36HN	1415' FSL 306' FEL	Section 31-T7N-R66W	Document # 400955297
Schneider N-31-36HC	1400' FSL 306' FEL	Section 31-T7N-R66W	Document # 400955299
Schneider O-31-36HN	1385' FSL 306' FEL	Section 31-T7N-R66W	Document # 400955300
Schneider P-31-36HN	1370' FSL 306' FEL	Section 31-T7N-R66W	Document # 400955303
Schneider Q-31-36HC	1355' FSL 305' FEL	Section 31-T7N-R66W	Document # 400955305
Schneider R-31-36HN	1340' FSL 305' FEL	Section 31-T7N-R66W	Document # 400955306
Schneider S-31-36HN	1325' FSL 305' FEL	Section 31-T7N-R66W	Document # 400955308
Schneider T-31-36HC	1310' FSL 305' FEL	Section 31-T7N-R66W	Document # 400955309
Schneider U-31-36HN	1295' FSL 305' FEL	Section 31-T7N-R66W	Document # 400955311
Schneider V-31-36HN	1280' FSL 304' FEL	Section 31-T7N-R66W	Document # 400955315
Schneider W-31-36HC	1265' FSL 304' FEL	Section 31-T7N-R66W	Document # 400955316
Schneider X-31-36HN	1250' FSL 304' FEL	Section 31-T7N-R66W	Document # 400955317

The surface locations of Bayswater's proposed wells have been staked outside of the Colorado Oil & Gas Conservation Commission (COGCC) Rule 318A.a. Greater Wattenberg Area Drilling Window and are being permitted as exception locations. Bayswater's northern most proposed well is located approximately 400 feet southeast of the NESE Drilling Window. These wells are being proposed outside of the Drilling Window due to an agreed upon location in the Surface Damage Agreement with the surface owner. Bayswater has obtained written permission from the surface owner by way of signed waiver.

Bayswater respectfully requests the COGCC to review the enclosed information and approve the requested exception location request and Applications for Permit to Drill for these wells.

Respectfully,

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

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

-Aristotle