



June 23, 2016

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

**RE: COGCC Rule 318A.e.: Proposed Spacing Unit
Ward U-20-19HN Well: SESE Section 20, Township 6 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 19 & 20, Township 6 North, Range 66 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 Ward U-20-19HN Well. Many thanks for your attention to this matter.

Respectfully,

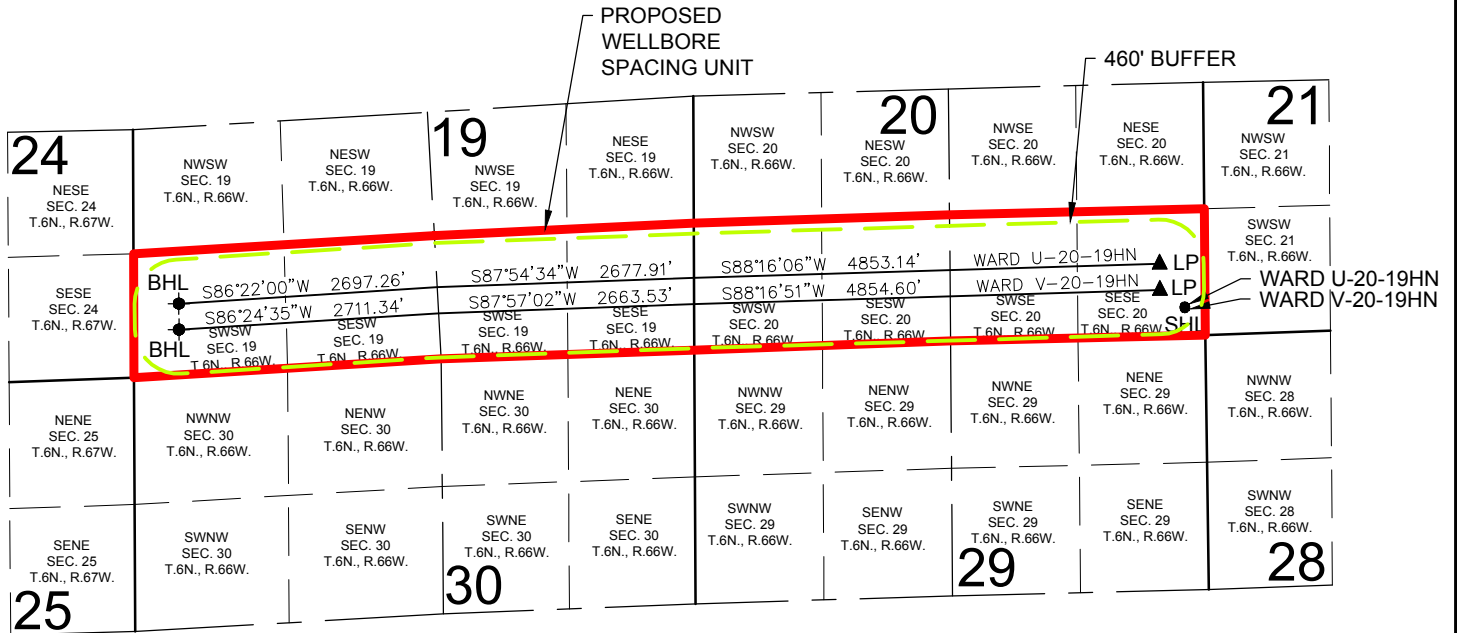
A handwritten signature in blue ink, appearing to read 'Jeff Annable', written over a light blue circular stamp.

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

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Enclosure: Proposed Spacing Unit Exhibit

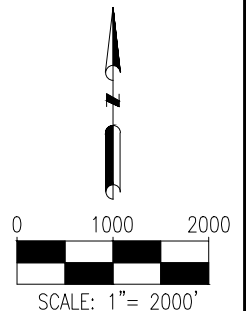
WARD 20-M PAD
PROPOSED 318A.e. SPACING UNIT
SEC. 19 & 20: S2S2



WELL **WARD U-20-19HN** TO BE LOCATED 304' FSL AND 213' FEL, SEC. 20, T6N, R66W
WELL **WARD V-20-19HN** TO BE LOCATED 289' FSL AND 213' FEL, SEC. 20, T6N, R66W

LEGEND

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



PREPARED BY: Petroleum Field Services, LLC 7535 Hilltop Circle Denver, CO 80221	FIELD DATE: 10-19-15	SITE NAME: WARD 20-M PAD	PREPARED FOR: BAYSWATER EXPLORATION AND PRODUCTION, LLC	
	DRAWING DATE: 02-17-16	SURFACE LOCATION: SE 1/4 SE 1/4 SEC. 20, T6N, R66W, 6TH P.M.		
	BY: KAD	CHECKED BY: JLW		WELD COUNTY, COLORADO