



BAYSWATER
EXPLORATION & PRODUCTION, LLC

June 21, 2010

VIA Certified Mail # 7008 3230 0001 8950 5366

Gary and Debra Hanks
15657 CR 76
Eaton, CO 80615

RE: Surface Owner Notification

Well Name: G&D Hanks 20-27, G&D Hanks 10-27, G&D Hanks 15-27
Section 27, Township 7N, Range 66W
Weld County, Colorado

Dear Gary and Debra,

Pursuant to Rule 306 of the rules of the Colorado Oil and Gas Conservation Commission (COGCC) Bayswater Exploration & Production, LLC (Bayswater) provides the following information to you:

1. Bayswater intends to commence operations for the drilling of the captioned wells. We estimate the commencement of operations with heavy equipment shall occur within 180 days. However, due to equipment availability and scheduling, such operations may occur earlier.
2. The operator of the captioned well is: Bayswater Exploration & Production, LLC
3. The location of the captioned wells is referenced above.
4. Under the COGCC rules the surface owner is responsible for notifying any affected tenant of the proposed operations.
5. Under COGCC Rule 306, the affected surface owner is entitled to a consultation with the operator. Our records indicate that a consultation occurred on May 4, 2010 and a surface damage agreement was signed and made effective May 11, 2010.
6. Also enclosed is a copy of the COGCC's informational brochure for surface owners containing rules pertaining to notice of oil and gas operations and opportunities for consultation thereon.
7. Further, enclosed is a copy of the COGCC's Onsite Inspection Policy.

Please call me at 720-881-4489 with any questions you may have concerning the proposed operations.

Thank you,

Ben Schuessler, Landman

Enclosures