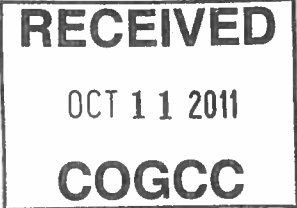




BAYHORSE PETROLEUM, LLC
2558 E. Portsmouth Ave.
Salt Lake City, UT 84121-5627



Attn: Mr. Bill Yokley; COGCC

RE: Exigent Circumstances, Bayhorse Petroleum 2-21 Well, Kiowa County, Colorado

Dear Bill,

As discussed via prior phone conversation, this letter is to request exigent circumstances for our drilling permit application regarding the Bayhorse Petroleum 2-21 well, which is located as follows: SW SE 21, T18S-R47W, 6th PM, Kiowa County, Colorado.

The reason for this request is because our drilling contractor, Black Gold Drilling, has had its rig idle for the last 7 or 8 weeks and it appears they are still weeks away from contracting for their next well. The drilling company's primary concern is that they are in jeopardy of losing their rig crews due to lack of work plus the company's economic difficulties of not having steady work. According to Black Gold, they may be forced to leave southeast Colorado if they cannot keep their rig busy.

For the above reasons, Black Gold has asked Bayhorse to request exigent circumstances. I informed Black Gold that I would contact the COGCC and explain the circumstances, but please note that Bayhorse does not want to abuse this procedure. Thank you for your consideration. Please call me if you have any other questions or concerns at 435-237-1169.

Respectfully,

Rod Vaughn

Bayhorse Petroleum, LLC

A handwritten signature in cursive script, appearing to read "Rod Vaughn".



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2558 E. Portsmouth Ave.
Salt Lake City, UT 84121-5627



Attn: Mr. Bill Yokley; COGCC

RE: Bayhorse Petroleum 2-21 well, SW SE 21, T18S-R47W, Kiowa County, Colorado

Dear Bill,

I would like to add the Marmaton Formation as another target for the above noted well. Please note this addition to our APD.

Thanks for your help.

Respectfully,

A handwritten signature in cursive script that reads "Rod Vaughn".

Rod Vaughn
Bayhorse Petroleum