



November 28, 2011

Mr. David Neslin, Director  
Colorado Oil & Gas Commission  
1120 Lincoln St. Suite 801  
Denver, CO 80203

1801 W. 13<sup>th</sup> Ave  
Denver, CO 80204  
Ph: 303.928.7128  
Rifle Ph: 970.625.4740  
[www.petro-fs.com](http://www.petro-fs.com)

RE: SESE, Sec. 32, T7N-R64W  
Weld County, Colorado

Well Name: NC Farms 9-32 – 185' FSL & 740' FEL – 69' SW from Property Line  
NC Farms 10-32 – 185' FSL & 770' FEL – 57' SW from Property Line  
NC Farms 15-32 – 185' FSL & 785' FEL – 51' SW from Property Line  
NC Farms 16-32 – 185' FSL & 725' FEL – 76' SW from Property Line  
NC Farms 20-32 – 185' FSL & 755' FEL – 63' SW from Property Line

Dear Mr. Neslin,

Bayswater Exploration & Production, LLC is planning to drill the above mentioned wells at the locations listed above. The closest proposed well location has been staked at 51' SW of the off-set property owner's property line.

The location is being permitted as an exception location. Bayswater Exploration & Production, LLC has obtained written permission contained in a waiver from the surface owner for an exception to COGCC Rule 603.a.(2).

Bayswater Exploration & Production, LLC requests that the COGCC review the enclosed information and approve the requested exception location request and Application for Permit to Drill for the above captioned well. Thank you for your attention to the enclosed.

Very Respectfully,

Kallasandra M. Moran  
Regulatory Technician, Petroleum Field Services  
Agent for Bayswater Exploration & Production, LLC

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

-Aristotle

November 23, 2011

Northern Colorado Farms LLC  
300 East 16<sup>th</sup> Street  
Suite 305  
Greeley, Colorado 80631

RE: Exception Location Consent  
SESE, Sec. 32, T7N-R64W

Well Names: NC Farms 9-32 – 185' FSL & 740' FEL – 69' SW from Property Line  
NC Farms 10-32 – 185' FSL & 770' FEL – 57' SW from Property Line  
NC Farms 15-32 – 185' FSL & 785' FEL – 51' SW from Property Line  
NC Farms 16-32 – 185' FSL & 725' FEL – 76' SW from Property Line  
NC Farms 20-32 – 185' FSL & 755' FEL – 63' SW from Property Line

Dear Northern Colorado Farms LLC,

Bayswater Exploration & Production, LLC plans to drill the above listed wells at the above referenced locations. The wells being proposed are within 150' of the property your property line. COGCC Rule 603.a.(2):

A well shall be a minimum distance of one hundred fifty (150) feet from a surface property line. An exception may be granted by the Director if it is not feasible for the operator to meet this minimum distance requirement and a waiver is obtained from the offset surface owner(s). An exception request letter stating the reasons for the exception shall be submitted to the Director and accompanied by a signed waiver(s) from the offset surface owner(s). Such waiver shall be written and filed in the county clerk and recorder's office and with the Director.

By signing this letter you hereby grant your consent for Bayswater Exploration & Production, LLC to locate the above listed wells as described above within 150' of the property line between Lot A and Lot D of Recorded Exemption 0711-32-4 RE--4468.

Respectfully,

Kallasandra M. Moran  
Regulatory Analyst, Petroleum Field Services  
Agent for Bayswater Exploration & Production, LLC

Agreed: Northern Colorado Farms LLC, Landowner

By:   
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Douglas D. Stolte, Manager

Date: November 23 2011