



December 9, 2011

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

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).

As well, the wells are being proposed is outside of the Greater Wattenberg Drilling Window as described in COGCC Rule 318A.a., which requires a well to be within a square with sides 400' in length, the center of which is the center of an governmental quarter-quarter. Bayswater Exploration & Production, LLC has obtained written permission contained in a waiver from the surface owner for an exception to COGCC Rule 318A.a.

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