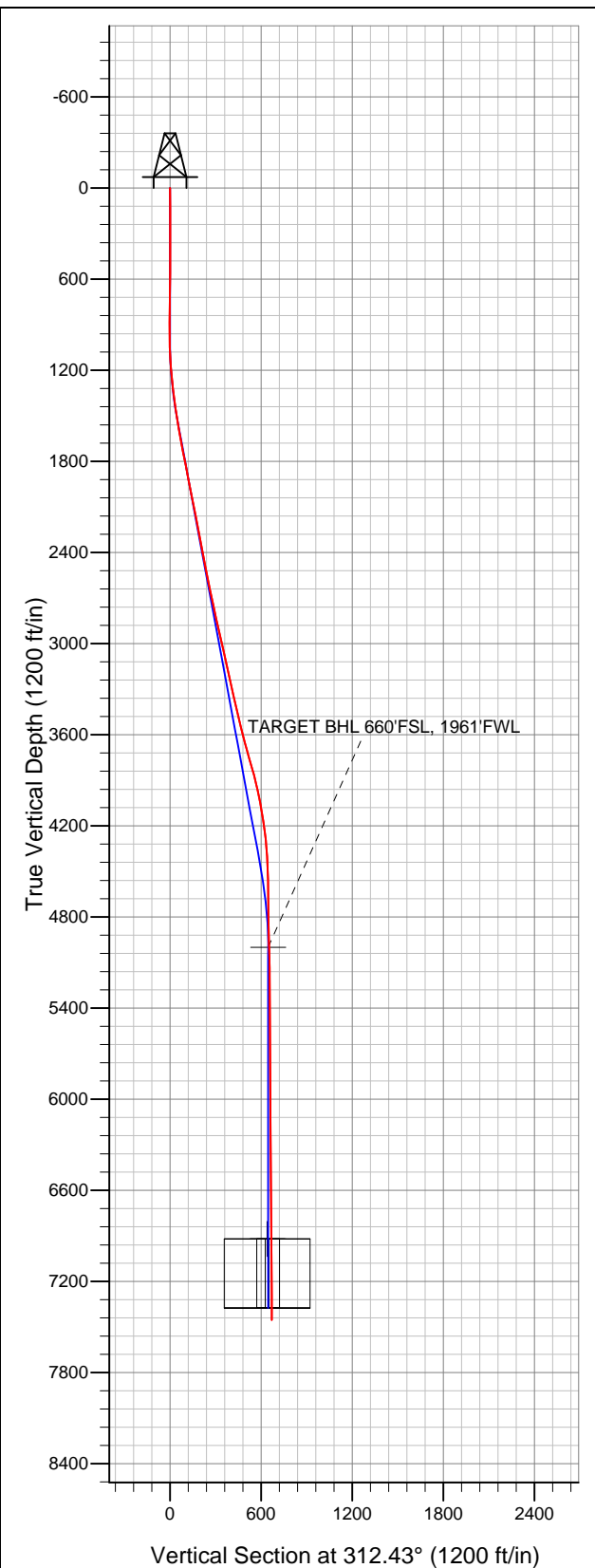


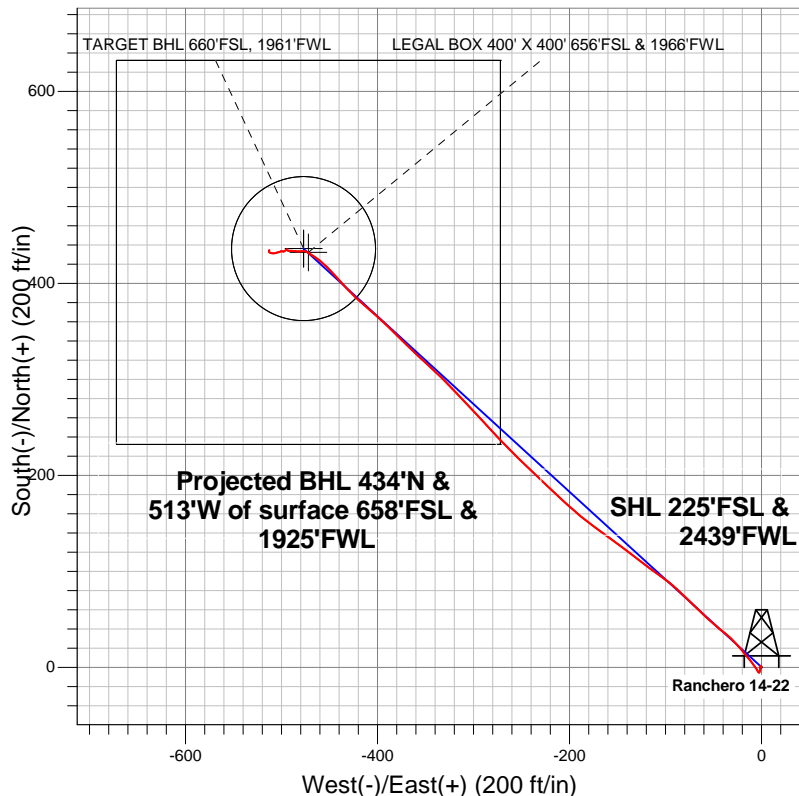
Well Name: Rancho 14-22

Surface Location: Lake - Rancho Pad Sec.22-T7N-R67W
North American Datum 1983 US State Plane 1983Colorado Northern Zone
Ground Elevation: 5004.0

| | | | | | | |
|--------------------|-------|--------------------------------------|------------|-----------|-------------|------|
| +N/-S | +E/-W | Northing | Easting | Latitude | Longitude | Slot |
| 0.0 | 0.0 | 1444921.72 | 3172264.04 | 40.553057 | -104.880076 | |
| Original Well Elev | | WELL @ 5020.0ft (Original Well Elev) | | | | |



BAYSWATER EXPLORATION & PRODUCTION



LEGEND

- Wellbore #1
- Rancho 14-22, Wellbore #1, Plan #1 (4-09-12) V0
- Survey #1

Final Survey Plot

Projected Final Survey -
7520'MD & 7454'TVD @ 671'VS
0.10 deg Inc 105.80 deg AZ

Project: SEC.22-T7N-R67W
Site: Lake - Rancho Pad Sec.22-T7N-R67W
Well: Rancho 14-22
Plan: Wellbore #1



BAYSWATER EXPLORATION & PRODUCTION

SEC.22-T7N-R67W

Lake - Ranchero Pad Sec.22-T7N-R67W

Ranchero 14-22

Wellbore #1

Survey: Survey #1

Standard Survey Report

12 July, 2012

| | | | |
|------------------|-------------------------------------|-------------------------------------|--------------------------------------|
| Company: | BAYSWATER EXPLORATION & PRODUCTION | Local Co-ordinate Reference: | Well Ranchero 14-22 |
| Project: | SEC.22-T7N-R67W | TVD Reference: | WELL @ 5020.0ft (Original Well Elev) |
| Site: | Lake - Ranchero Pad Sec.22-T7N-R67W | MD Reference: | WELL @ 5020.0ft (Original Well Elev) |
| Well: | Ranchero 14-22 | North Reference: | True |
| Wellbore: | Wellbore #1 | Survey Calculation Method: | Minimum Curvature |
| Design: | Wellbore #1 | Database: | Landmark |

| | | | |
|--------------------|--|----------------------|-----------------------------|
| Project | SEC.22-T7N-R67W, Weld County, Colorado | | |
| Map System: | US State Plane 1983 | System Datum: | Mean Sea Level |
| Geo Datum: | North American Datum 1983 | | Using Well Reference Point |
| Map Zone: | Colorado Northern Zone | | Using geodetic scale factor |

| | | | | | |
|-----------------------|----------|-------------------------------------|-----------------|-------------------|-------------|
| Site | | Lake - Ranchero Pad Sec.22-T7N-R67W | | | |
| Site Position: | | Northing: | 1,444,921.99 ft | Latitude: | 40.553058 |
| From: | Lat/Long | Easting: | 3,172,249.31 ft | Longitude: | -104.880129 |
| Position Uncertainty: | 0.0 ft | Slot Radius: | " | Grid Convergence: | 0.40 ° |

| | | | | | | |
|----------------------|----------------|--------|---------------------|-----------------|---------------|-------------|
| Well | Ranchero 14-22 | | | | | |
| Well Position | +N-S | 0.0 ft | Northing: | 1,444,921.72 ft | Latitude: | 40.553057 |
| | +E-W | 0.0 ft | Easting: | 3,172,264.04 ft | Longitude: | -104.880076 |
| Position Uncertainty | | 0.0 ft | Wellhead Elevation: | ft | Ground Level: | 5,004.0 ft |

| | | | | | |
|-----------|-------------|-------------|-----------------|---------------|---------------------|
| Wellbore | Wellbore #1 | | | | |
| Magnetics | Model Name | Sample Date | Declination (°) | Dip Angle (°) | Field Strength (nT) |
| | IGRF2010 | 4/11/2012 | 8.83 | 67.13 | 53,111 |

| | | | | | |
|-------------------|--------------------------|---------------|---------------|------------------|-----|
| Design | Wellbore #1 | | | | |
| Audit Notes: | | | | | |
| Version: | 1.0 | Phase: | ACTUAL | Tie On Depth: | 0.0 |
| Vertical Section: | Depth From (TVD) (ft) | +N/-S (ft) | +E/-W (ft) | Direction (°) | |
| | 0.0 | 0.0 | 0.0 | 312.43 | |

| Survey Program | | Date | | |
|----------------|------------|-------------------------|-----------|----------------|
| From (ft) | To (ft) | Survey (Wellbore) | Tool Name | Description |
| 128.0 | 7,520.0 | Survey #1 (Wellbore #1) | MWD | MWD - Standard |

| Survey | Survey Data | | | | | | | | | |
|--------|---------------------|-----------------|-------------|---------------------|-----------|-----------|-----------------------|-----------------------|----------------------|---------------------|
| | Measured Depth (ft) | Inclination (°) | Azimuth (°) | Vertical Depth (ft) | +N-S (ft) | +E-W (ft) | Vertical Section (ft) | Dogleg Rate (°/100ft) | Build Rate (°/100ft) | Turn Rate (°/100ft) |
| | 0.0 | 0.00 | 0.00 | 0.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0.00 | 0.00 |
| | 128.0 | 1.00 | 335.80 | 128.0 | 1.0 | -0.5 | 1.0 | 0.78 | 0.78 | 0.00 |
| | 214.0 | 0.30 | 245.40 | 214.0 | 1.6 | -1.0 | 1.8 | 1.22 | -0.81 | -105.12 |
| | 305.0 | 0.40 | 181.80 | 305.0 | 1.2 | -1.2 | 1.7 | 0.42 | 0.11 | -69.89 |
| | 396.0 | 0.40 | 216.60 | 396.0 | 0.6 | -1.4 | 1.4 | 0.26 | 0.00 | 38.24 |
| | 487.0 | 0.40 | 181.80 | 487.0 | 0.0 | -1.6 | 1.2 | 0.26 | 0.00 | -38.24 |
| | 578.0 | 0.40 | 170.90 | 578.0 | -0.6 | -1.6 | 0.8 | 0.08 | 0.00 | -11.98 |
| | 670.0 | 0.80 | 174.60 | 670.0 | -1.5 | -1.4 | 0.0 | 0.44 | 0.43 | 4.02 |
| | 749.0 | 0.80 | 190.20 | 749.0 | -2.6 | -1.5 | -0.7 | 0.27 | 0.00 | 19.75 |
| | 800.0 | 0.90 | 191.80 | 800.0 | -3.4 | -1.6 | -1.1 | 0.20 | 0.20 | 3.14 |
| | 894.0 | 1.00 | 200.10 | 893.9 | -4.9 | -2.1 | -1.8 | 0.18 | 0.11 | 8.83 |
| | 987.0 | 0.50 | 280.70 | 986.9 | -5.6 | -2.7 | -1.7 | 1.12 | -0.54 | 86.67 |

| | | | |
|------------------|-------------------------------------|-------------------------------------|--------------------------------------|
| Company: | BAYSWATER EXPLORATION & PRODUCTION | Local Co-ordinate Reference: | Well Ranchero 14-22 |
| Project: | SEC.22-T7N-R67W | TVD Reference: | WELL @ 5020.0ft (Original Well Elev) |
| Site: | Lake - Ranchero Pad Sec.22-T7N-R67W | MD Reference: | WELL @ 5020.0ft (Original Well Elev) |
| Well: | Ranchero 14-22 | North Reference: | True |
| Wellbore: | Wellbore #1 | Survey Calculation Method: | Minimum Curvature |
| Design: | Wellbore #1 | Database: | Landmark |

| Survey | | | | | | | | | |
|------------------------------|-----------------|-------------|---------------------|------------|------------|-----------------------|-----------------------|----------------------|---------------------|
| Measured Depth (ft) | Inclination (°) | Azimuth (°) | Vertical Depth (ft) | +N/-S (ft) | +E/-W (ft) | Vertical Section (ft) | Dogleg Rate (°/100ft) | Build Rate (°/100ft) | Turn Rate (°/100ft) |
| 1,081.0 | 2.50 | 329.80 | 1,080.9 | -3.7 | -4.2 | 0.6 | 2.35 | 2.13 | 52.23 |
| 1,175.0 | 4.30 | 324.50 | 1,174.7 | 0.9 | -7.3 | 6.0 | 1.94 | 1.91 | -5.64 |
| 1,268.0 | 5.60 | 323.60 | 1,267.4 | 7.4 | -12.0 | 13.8 | 1.40 | 1.40 | -0.97 |
| 1,362.0 | 7.40 | 318.40 | 1,360.8 | 15.6 | -18.7 | 24.4 | 2.01 | 1.91 | -5.53 |
| 1,456.0 | 8.50 | 318.20 | 1,453.9 | 25.4 | -27.4 | 37.3 | 1.17 | 1.17 | -0.21 |
| 1,549.0 | 8.90 | 308.90 | 1,545.8 | 35.0 | -37.5 | 51.3 | 1.57 | 0.43 | -10.00 |
| 1,643.0 | 10.30 | 310.60 | 1,638.5 | 45.0 | -49.6 | 67.0 | 1.52 | 1.49 | 1.81 |
| 1,737.0 | 11.30 | 314.00 | 1,730.8 | 56.9 | -62.6 | 84.6 | 1.26 | 1.06 | 3.62 |
| 1,831.0 | 11.30 | 314.10 | 1,823.0 | 69.7 | -75.8 | 103.0 | 0.02 | 0.00 | 0.11 |
| 1,924.0 | 10.70 | 312.90 | 1,914.3 | 81.9 | -88.7 | 120.7 | 0.69 | -0.65 | -1.29 |
| 2,018.0 | 11.00 | 304.80 | 2,006.6 | 93.0 | -102.5 | 138.4 | 1.65 | 0.32 | -8.62 |
| 2,112.0 | 10.80 | 307.30 | 2,098.9 | 103.4 | -116.8 | 156.0 | 0.55 | -0.21 | 2.66 |
| 2,205.0 | 11.70 | 306.60 | 2,190.1 | 114.3 | -131.3 | 174.1 | 0.98 | 0.97 | -0.75 |
| 2,299.0 | 11.60 | 307.80 | 2,282.2 | 125.8 | -146.4 | 193.0 | 0.28 | -0.11 | 1.28 |
| 2,393.0 | 10.60 | 306.90 | 2,374.4 | 136.8 | -160.8 | 211.0 | 1.08 | -1.06 | -0.96 |
| 2,486.0 | 10.20 | 303.90 | 2,465.9 | 146.5 | -174.5 | 227.7 | 0.72 | -0.43 | -3.23 |
| 2,580.0 | 11.30 | 310.40 | 2,558.3 | 157.1 | -188.4 | 245.1 | 1.74 | 1.17 | 6.91 |
| 2,674.0 | 12.40 | 313.40 | 2,650.3 | 170.0 | -202.8 | 264.4 | 1.34 | 1.17 | 3.19 |
| 2,767.0 | 12.10 | 311.70 | 2,741.1 | 183.4 | -217.3 | 284.1 | 0.50 | -0.32 | -1.83 |
| 2,861.0 | 12.80 | 314.50 | 2,832.9 | 197.2 | -232.1 | 304.4 | 0.98 | 0.74 | 2.98 |
| 2,955.0 | 12.90 | 313.30 | 2,924.6 | 211.7 | -247.2 | 325.3 | 0.30 | 0.11 | -1.28 |
| 3,049.0 | 12.50 | 316.20 | 3,016.3 | 226.3 | -261.8 | 345.9 | 0.80 | -0.43 | 3.09 |
| 3,142.0 | 12.00 | 315.70 | 3,107.2 | 240.5 | -275.5 | 365.6 | 0.55 | -0.54 | -0.54 |
| 3,236.0 | 13.00 | 318.50 | 3,198.9 | 255.4 | -289.4 | 385.9 | 1.24 | 1.06 | 2.98 |
| 3,330.0 | 12.80 | 316.10 | 3,290.6 | 270.8 | -303.6 | 406.8 | 0.61 | -0.21 | -2.55 |
| 3,423.0 | 13.20 | 316.80 | 3,381.2 | 286.0 | -318.0 | 427.7 | 0.46 | 0.43 | 0.75 |
| 3,517.0 | 13.30 | 314.00 | 3,472.7 | 301.3 | -333.1 | 449.2 | 0.69 | 0.11 | -2.98 |
| 3,611.0 | 13.70 | 312.50 | 3,564.1 | 316.3 | -349.1 | 471.1 | 0.57 | 0.43 | -1.60 |
| 3,704.0 | 14.70 | 314.30 | 3,654.2 | 332.0 | -365.7 | 493.9 | 1.18 | 1.08 | 1.94 |
| 3,798.0 | 15.90 | 314.80 | 3,744.9 | 349.4 | -383.4 | 518.7 | 1.28 | 1.28 | 0.53 |
| 3,892.0 | 16.00 | 311.00 | 3,835.3 | 367.0 | -402.3 | 544.5 | 1.12 | 0.11 | -4.04 |
| 3,985.0 | 13.50 | 312.50 | 3,925.2 | 382.7 | -420.0 | 568.2 | 2.72 | -2.69 | 1.61 |
| 4,079.0 | 11.30 | 318.00 | 4,017.0 | 397.0 | -434.2 | 588.3 | 2.65 | -2.34 | 5.85 |
| 4,173.0 | 9.70 | 317.60 | 4,109.4 | 409.7 | -445.7 | 605.4 | 1.70 | -1.70 | -0.43 |
| 4,266.0 | 7.70 | 312.50 | 4,201.4 | 419.7 | -455.6 | 619.4 | 2.30 | -2.15 | -5.48 |
| 4,360.0 | 6.30 | 304.30 | 4,294.7 | 426.8 | -464.5 | 630.8 | 1.83 | -1.49 | -8.72 |
| 4,454.0 | 4.10 | 300.20 | 4,388.3 | 431.4 | -471.7 | 639.2 | 2.37 | -2.34 | -4.36 |
| 4,548.0 | 1.80 | 289.00 | 4,482.2 | 433.6 | -476.0 | 643.9 | 2.51 | -2.45 | -11.91 |
| 4,641.0 | 1.50 | 248.20 | 4,575.1 | 433.6 | -478.5 | 645.7 | 1.27 | -0.32 | -43.87 |
| 4,735.0 | 1.00 | 268.40 | 4,669.1 | 433.1 | -480.4 | 646.8 | 0.70 | -0.53 | 21.49 |
| 4,829.0 | 1.30 | 271.40 | 4,763.1 | 433.1 | -482.3 | 648.2 | 0.33 | 0.32 | 3.19 |
| 4,922.0 | 1.60 | 275.80 | 4,856.0 | 433.3 | -484.7 | 650.1 | 0.34 | 0.32 | 4.73 |
| 5,016.0 | 1.40 | 282.00 | 4,950.0 | 433.7 | -487.1 | 652.1 | 0.27 | -0.21 | 6.60 |
| 5,065.7 | 1.55 | 274.96 | 4,999.7 | 433.9 | -488.4 | 653.2 | 0.47 | 0.30 | -14.16 |
| TARGET BHL 660'FSL, 1961'FWL | | | | | | | | | |
| 5,110.0 | 1.70 | 269.80 | 5,044.0 | 433.9 | -489.6 | 654.1 | 0.47 | 0.34 | -11.65 |
| 5,203.0 | 1.50 | 267.50 | 5,136.9 | 433.8 | -492.2 | 656.0 | 0.23 | -0.22 | -2.47 |
| 5,297.0 | 0.50 | 344.20 | 5,230.9 | 434.2 | -493.6 | 657.2 | 1.56 | -1.06 | 81.60 |
| 5,391.0 | 0.40 | 331.00 | 5,324.9 | 434.9 | -493.8 | 657.9 | 0.15 | -0.11 | -14.04 |
| 5,484.0 | 0.40 | 292.70 | 5,417.9 | 435.3 | -494.3 | 658.5 | 0.28 | 0.00 | -41.18 |
| 5,578.0 | 1.10 | 230.10 | 5,511.9 | 434.8 | -495.3 | 658.9 | 1.05 | 0.74 | -66.60 |
| 5,672.0 | 1.30 | 230.10 | 5,605.9 | 433.6 | -496.8 | 659.2 | 0.21 | 0.21 | 0.00 |
| 5,766.0 | 0.50 | 289.50 | 5,699.9 | 433.0 | -498.0 | 659.7 | 1.20 | -0.85 | 63.19 |

| | | | |
|------------------|-------------------------------------|-------------------------------------|--------------------------------------|
| Company: | BAYSWATER EXPLORATION & PRODUCTION | Local Co-ordinate Reference: | Well Ranchero 14-22 |
| Project: | SEC.22-T7N-R67W | TVD Reference: | WELL @ 5020.0ft (Original Well Elev) |
| Site: | Lake - Ranchero Pad Sec.22-T7N-R67W | MD Reference: | WELL @ 5020.0ft (Original Well Elev) |
| Well: | Ranchero 14-22 | North Reference: | True |
| Wellbore: | Wellbore #1 | Survey Calculation Method: | Minimum Curvature |
| Design: | Wellbore #1 | Database: | Landmark |

| Survey | | | | | | | | | |
|---|-----------------|-------------|---------------------|------------|------------|-----------------------|-----------------------|----------------------|---------------------|
| Measured Depth (ft) | Inclination (°) | Azimuth (°) | Vertical Depth (ft) | +N/-S (ft) | +E/-W (ft) | Vertical Section (ft) | Dogleg Rate (°/100ft) | Build Rate (°/100ft) | Turn Rate (°/100ft) |
| 5,859.0 | 0.30 | 294.80 | 5,792.9 | 433.3 | -498.6 | 660.3 | 0.22 | -0.22 | 5.70 |
| 5,953.0 | 0.40 | 277.20 | 5,886.9 | 433.4 | -499.1 | 660.8 | 0.16 | 0.11 | -18.72 |
| 6,047.0 | 0.40 | 254.20 | 5,980.9 | 433.4 | -499.8 | 661.3 | 0.17 | 0.00 | -24.47 |
| 6,140.0 | 0.50 | 270.50 | 6,073.9 | 433.3 | -500.5 | 661.7 | 0.17 | 0.11 | 17.53 |
| 6,234.0 | 0.40 | 247.00 | 6,167.9 | 433.1 | -501.2 | 662.2 | 0.22 | -0.11 | -25.00 |
| 6,328.0 | 0.50 | 248.60 | 6,261.9 | 432.9 | -501.9 | 662.5 | 0.11 | 0.11 | 1.70 |
| 6,421.0 | 0.60 | 253.30 | 6,354.9 | 432.6 | -502.7 | 662.9 | 0.12 | 0.11 | 5.05 |
| 6,515.0 | 0.70 | 253.30 | 6,448.9 | 432.3 | -503.8 | 663.5 | 0.11 | 0.11 | 0.00 |
| 6,609.0 | 1.00 | 255.80 | 6,542.8 | 431.9 | -505.1 | 664.2 | 0.32 | 0.32 | 2.66 |
| 6,702.0 | 1.10 | 253.50 | 6,635.8 | 431.5 | -506.8 | 665.1 | 0.12 | 0.11 | -2.47 |
| 6,796.0 | 0.90 | 264.00 | 6,729.8 | 431.1 | -508.4 | 666.1 | 0.29 | -0.21 | 11.17 |
| 6,890.0 | 0.80 | 278.10 | 6,823.8 | 431.1 | -509.7 | 667.1 | 0.25 | -0.11 | 15.00 |
| 6,983.0 | 0.70 | 291.50 | 6,916.8 | 431.4 | -510.9 | 668.2 | 0.22 | -0.11 | 14.41 |
| 6,985.7 | 0.70 | 291.76 | 6,919.5 | 431.4 | -510.9 | 668.2 | 0.15 | 0.10 | 9.30 |
| LEGAL BOX 400' X 400' 656'FSL & 1966'FWL | | | | | | | | | |
| 6,985.8 | 0.70 | 291.76 | 6,919.6 | 431.4 | -510.9 | 668.2 | 0.00 | 0.00 | 0.00 |
| TARGET CIRCLE 660'FSL & 1961'FWL | | | | | | | | | |
| 7,077.0 | 0.80 | 299.20 | 7,010.8 | 432.0 | -512.0 | 669.4 | 0.15 | 0.11 | 8.17 |
| 7,171.0 | 0.50 | 313.30 | 7,104.8 | 432.6 | -512.9 | 670.4 | 0.36 | -0.32 | 15.00 |
| 7,265.0 | 0.50 | 346.80 | 7,198.8 | 433.2 | -513.3 | 671.2 | 0.31 | 0.00 | 35.64 |
| 7,358.0 | 0.40 | 32.00 | 7,291.8 | 433.9 | -513.2 | 671.6 | 0.38 | -0.11 | 48.60 |
| 7,452.0 | 0.30 | 56.10 | 7,385.8 | 434.3 | -512.8 | 671.6 | 0.19 | -0.11 | 25.64 |
| 7,478.0 | 0.10 | 105.80 | 7,411.8 | 434.4 | -512.7 | 671.5 | 0.95 | -0.77 | 191.15 |
| 7,520.0 | 0.10 | 105.80 | 7,453.8 | 434.3 | -512.7 | 671.5 | 0.00 | 0.00 | 0.00 |

Checked By: _____ Approved By: _____ Date: _____