



July 3, 2013

Mr. Matt Lepore, Director
Colorado Oil and Gas Conservation Commission
1120 Lincoln Street
Suite 801
Denver, Colorado 80203

1801 W. 13th Ave
Denver, CO 80204
Ph: 303.928.7128
www.petro-fs.com

**RE: COGCC Rule 318A.e.: Proposed Wellbore Spacing Unit
Staley 10-7, Staley 25-7 wells
NESW Section 7, Township 6 North, Range 67 West
Weld County, Colorado**

Dear Mr. Lepore:

Bayswater Exploration & Production, LLC (Bayswater) is planning to drill the above referenced wells in accordance with the provisions set out in COGCC Rule 318A.e. Bayswater's proposed wellbore spacing unit consists of:

Staley 10-7, Staley 25-7
SENE, SWNE, NWSE, NESW Section 7, Township 6 North, Range 67 West
Containing 160 acres

Bayswater is not the only owner within the proposed wellbore spacing unit and has provided notice to the remaining owner(s) within this spacing unit, as required by COGCC Rule 318A.e.(6). Copies of the required notification letter(s) are on file at Bayswater's office. The required thirty (30) day notice period has elapsed absent the receipt by Bayswater of any objection to their proposal by the owner(s) within the proposed spacing unit for the subject well.

Enclosed is a copy of the Well Location Certificate and Plat illustrating the proposed wellbore spacing unit to assist in your review and approval of Bayswater's proposed Applications for Permit to Drill (APD) for the Staley 10-7 and Staley 25-7 wells.

Bayswater respectfully requests the COGCC review the enclosed information and approve the requested exception location waiver and APD for the Staley 10-7 and Staley 25-7. Many thanks for your attention to this matter.

Respectfully,

DeAnne M. Spector
Regulatory Analyst
Agent for Bayswater Exploration & Production, LLC

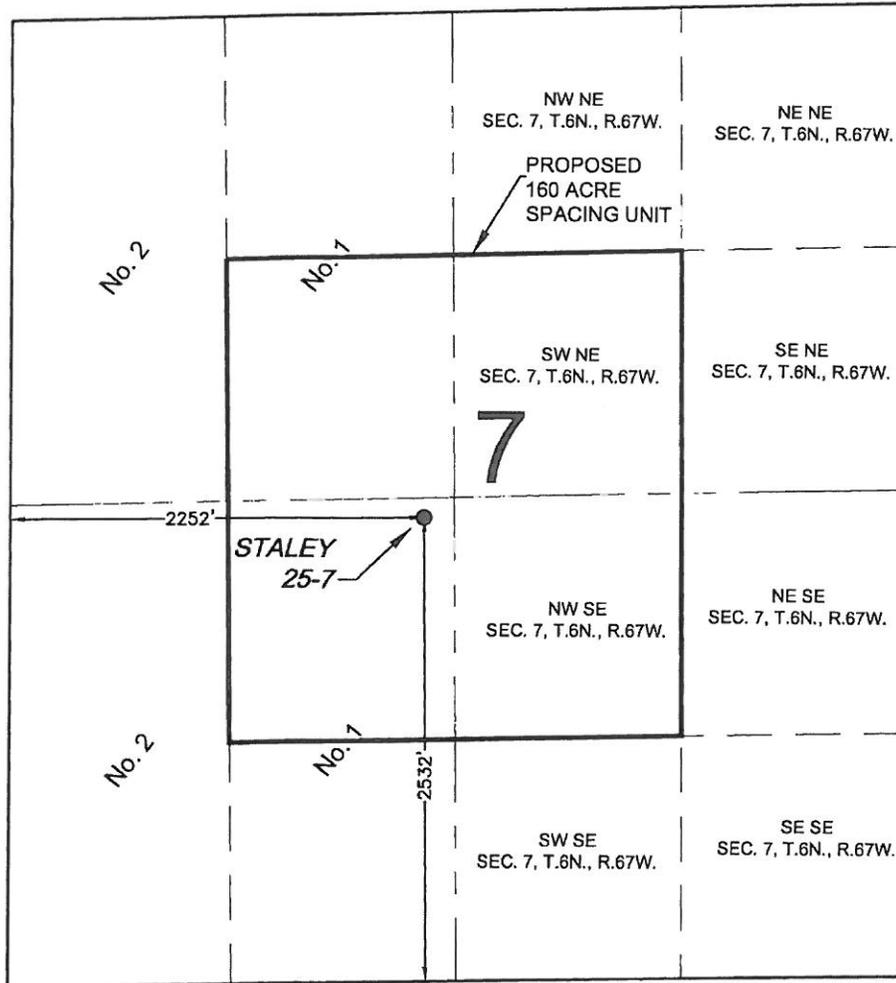
:dms
Enclosures

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

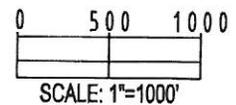
-Aristotle

PROPOSED 318 Ae SPACING UNIT

SECTION 7, TOWNSHIP 6 NORTH, RANGE 67 WEST, 6TH P.M.



WELL **STALEY 25-7** TO BE LOCATED 2532' FSL AND 2252' FWL



SURFACE LOCATION
 GROUND ELEVATION= 4820'
 NAD83
 LATITUDE= 40.500792°
 LONGITUDE= 104.936066°

LEGEND

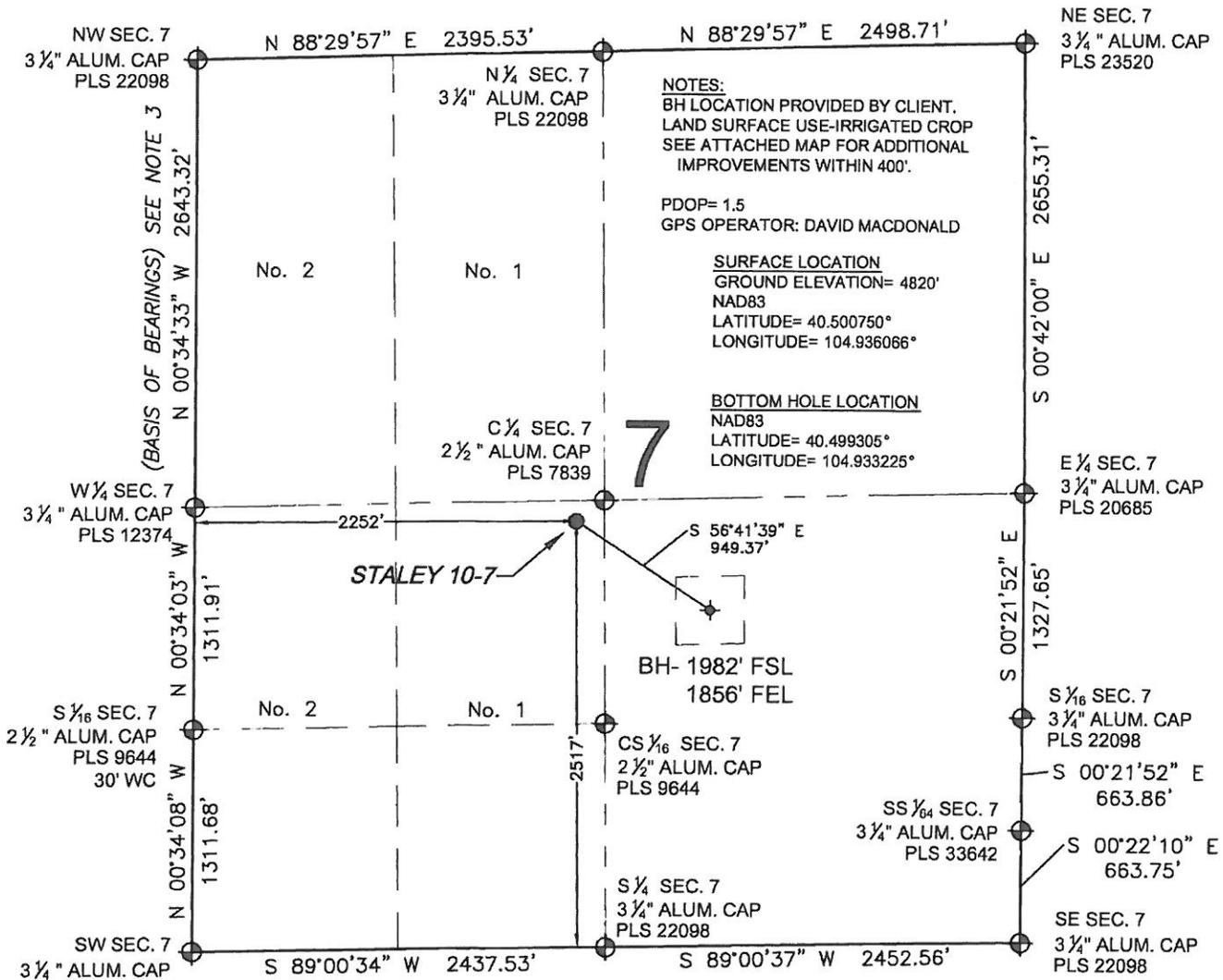
- ⊕ = EXISTING MONUMENT ◆ = BOTTOM HOLE BH = BOTTOM HOLE
- = PROPOSED WELL ◆ = EXISTING WELL

PREPARED BY: PFS Petroleum Field Services, LLC 1801 W. 130th Ave. Denver, CO 80204	FIELD DATE: 04-24-13 DRAWING DATE: 05-13-13 BY: KAD CHECKED: MLP	SURFACE LOCATION: NE 1/4 SW 1/4, SEC. 7, T6N, R67W, 6TH P.M. WELD COUNTY, COLORADO
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NOTICE: ACCORDING TO COLORADO LAW YOU MUST COMMENCE ANY LEGAL ACTION BASED UPON ANY DEFECT IN THIS SURVEY WITHIN THREE YEARS AFTER YOU FIRST DISCOVER SUCH DEFECT. IN NO EVENT MAY ANY ACTION BASED UPON ANY DEFECT IN THIS SURVEY BE COMMENCED MORE THAN TEN YEARS FROM THIS SAID DATE OF THIS CERTIFICATION SHOWN HEREON.

WELL LOCATION CERTIFICATE: STALEY 10-7

SECTION 7, TOWNSHIP 6 NORTH, RANGE 67 WEST, 6TH P.M.



NOTES:
 BH LOCATION PROVIDED BY CLIENT.
 LAND SURFACE USE-IRRIGATED CROP
 SEE ATTACHED MAP FOR ADDITIONAL
 IMPROVEMENTS WITHIN 400'.

PDOP= 1.5
 GPS OPERATOR: DAVID MACDONALD

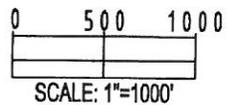
SURFACE LOCATION
 GROUND ELEVATION= 4820'
 NAD83
 LATITUDE= 40.500750°
 LONGITUDE= 104.936066°

BOTTOM HOLE LOCATION
 NAD83
 LATITUDE= 40.499305°
 LONGITUDE= 104.933225°

WELL STALEY 10-7 TO BE LOCATED 2517' FSL AND 2252' FWL

LEGEND

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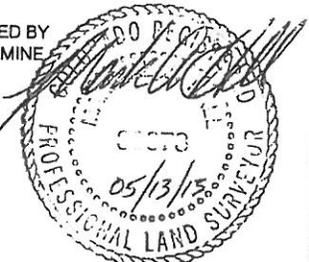


NOTES:

1. THIS FIELD SURVEY CONFORMS TO THE MINIMUM STANDARDS SET BY THE C.O.G.C.C., RULE NO. 215
2. HORIZONTAL POSITIONS AND ORTHOMETRIC ELEVATIONS SHOWN AT THE WELL HEAD, ARE BASED ON GPS-RTK POSITIONS DERIVED FROM MINIMUM 2-HOUR STATIC OBSERVATIONS CORRECTED BY THE NATIONAL GEODETIC SURVEY ONLINE POSITIONING USER SERVICE, O.P.U.S. DATUM: HORIZONTAL = NAD83/2011, VERTICAL = NAVD88
3. THE BASIS OF BEARINGS ARE STATE PLANE COORDINATE SYSTEM GRID BEARINGS SHOWN HEREON BETWEEN THE DESCRIBED THE MONUMENTS SHOWN HEREON.
4. GRID DISTANCES ARE SHOWN, AS MEASURED IN THE FIELD, WITH TIES TO WELLS MEASURED PERPENDICULAR TO SECTION LINES.

I, MARK A. HALL, A LICENSED PROFESSIONAL LAND SURVEYOR IN THE STATE OF COLORADO DO HEREBY CERTIFY TO **BAYSWATER EXPLORATION & PRODUCTION, LLC**, THAT THE SURVEY AND WELL LOCATION CERTIFICATE SHOWN HEREON WERE DONE BY ME OR UNDER MY DIRECT SUPERVISION AND THAT THE DRAWING SHOWN HEREON ACCURATELY DEPICTS THE PROPOSED LOCATION OF THE WELL. THIS CERTIFICATE DOES NOT REPRESENT A LAND SURVEY PLAT OR IMPROVEMENT SURVEY PLAT AS DEFINED BY C.R.S. 38-51-102 AND CANNOT BE RELIED UPON TO DETERMINE OWNERSHIP.

MARK A. HALL, PLS 36073
 COLORADO LICENSED PROFESSIONAL LAND SURVEYOR
 FOR AND ON BEHALF OF P.F.S., LLC

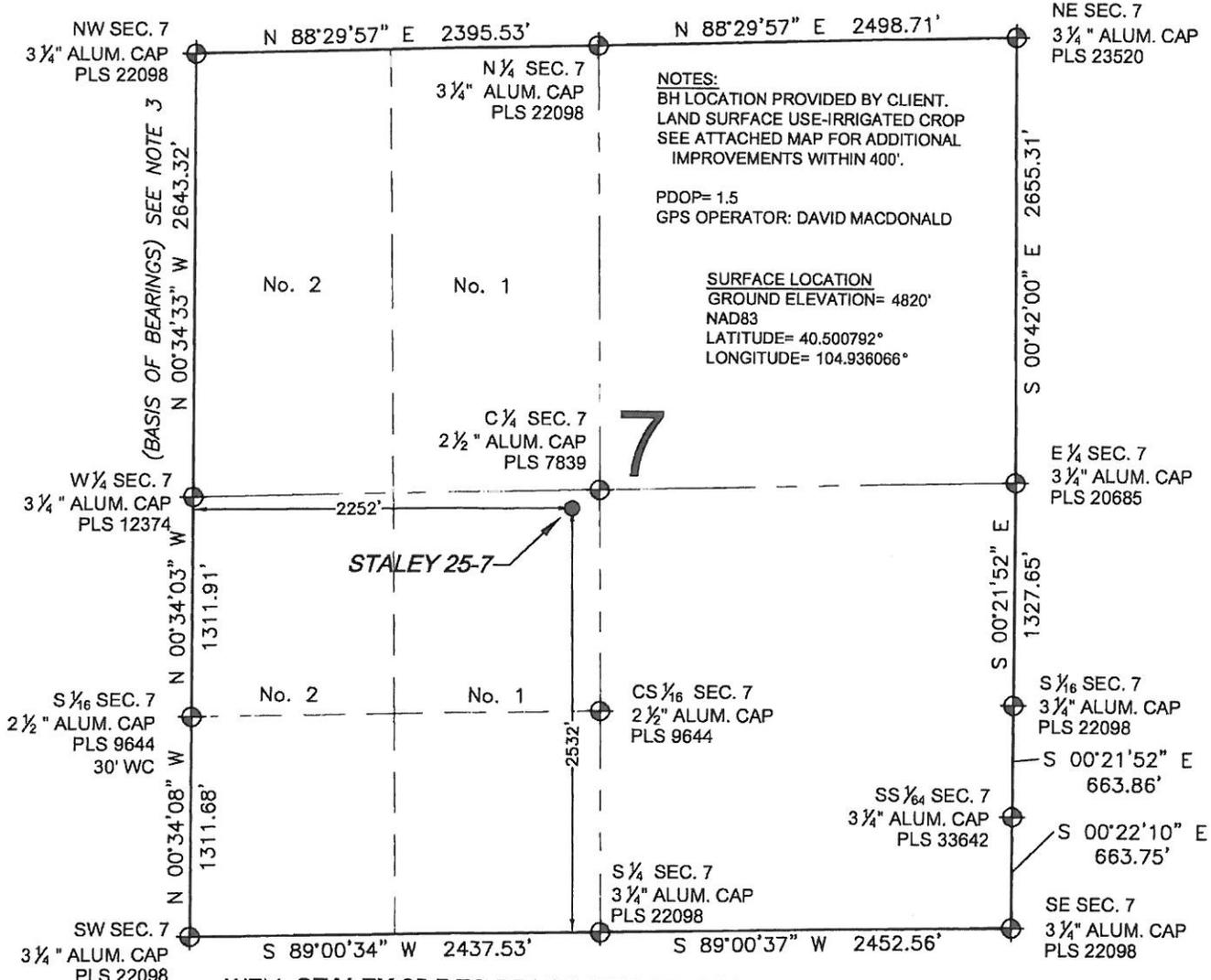


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WELL LOCATION CERTIFICATE: STALEY 25-7

SECTION 7, TOWNSHIP 6 NORTH, RANGE 67 WEST, 6TH P.M.



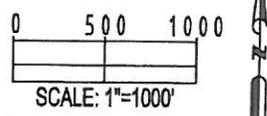
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