

June 3, 2014

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



**RE: COGCC Rule 318A.a.: Exception Location Request
COGCC Rule 318A.c.: Twinning Exception Location Consent
Kaiser 10-D Pad: NENE Section 10, Township 6 North, Range 65 West
Weld County, Colorado**

Dear Mr. Lepore:

Bayswater Exploration & Production, LLC (Bayswater) is planning to drill 8 horizontal wells on the above referenced pad to the formations as follows:

Kaiser A-10HN will be drilled to the Niobrara Formation
Kaiser B-10HC will be drilled to the Codell Formation
Kaiser C-10HN will be drilled to the Niobrara Formation
Kaiser D-10HN will be drilled to the Niobrara Formation
Kaiser E-10HN will be drilled to the Niobrara Formation
Kaiser F-10HN will be drilled to the Niobrara Formation
Kaiser G-10HN will be drilled to the Niobrara Formation
Kaiser H-10HC will be drilled to the Codell Formation

The surface locations of Bayswater's proposed wells have been staked outside of the COGCC Rule 318A.a. Greater Wattenberg Area (GWA) Drilling Window and are being permitted as exception locations. In addition, under the COGCC Rule 318A.c. any new Twinning well is to be located within 50 feet of an existing well. Bayswater's proposed wells are located approximately 335 feet from the nearest Oil and Gas well. Bayswater has obtained written permission from the surface owners by way of signed waivers.

Bayswater respectfully requests the COGCC to review the enclosed information and approve the requested exception location waiver and Application for Permit to Drill for the wells on the subject pad. Many thanks.

Respectfully,

Jennifer Grosshans
Regulatory Technician
Agent for Bayswater Exploration & Production, LLC

:jg

Enclosures: Signed Waiver from Frances Koskie
Signed Waiver from Henrietta Kaiser

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

-Aristotle

Ms. Frances E. Koskie

May 20, 2014

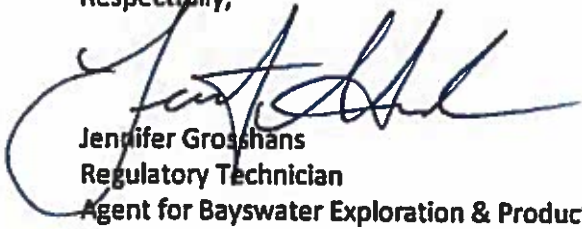
Page2



7535 Hilltop Circle
Denver, CO 80221
www.petro-fs.com

If you should have any questions or require additional information, please do not hesitate contacting me at 303.928.7128 or via email at regulatory@petro-fs.com. Thank you for your consideration of this matter.

Respectfully,



Jennifer Grosshans
Regulatory Technician
Agent for Bayswater Exploration & Production, LLC

:jmg

Enclosures: Copy of letter to be signed and returned
Self-addressed stamped envelope

FRANCES E. KOSKIE

RE: Exception Location Consent – COGCC Rule 318A.a. and Rule 318A.c.
Kaiser 10-D Pad: Kaiser A-10HN, Kaiser B-10HC, Kaiser C-10HN, Kaiser D-10HN, Kaiser E-10HN, Kaiser F-10HN, Kaiser G-10HN, and Kaiser H-10HC Wells
NENE Section 10, Township 6 North, Range 65 West
Weld County, Colorado

I/We hereby consent to locating the wells outside the GWA Drilling Window and consent that the wells lie more than 50 feet of an existing well as it refers to the Kaiser A-10HN, Kaiser B-10HC, Kaiser C-10HN, Kaiser D-10HN, Kaiser E-10HN, Kaiser F-10HN, Kaiser G-10HN, and Kaiser H-10HC wells.

Frances E. Koskie 5-27-14
(Surface Owner Signature) Date

Frances E. Koskie
Printed Name

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

-Aristotle