



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

October 23, 2014

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

**RE: COGCC Rule 318A.e.: Proposed Wellbore Spacing Unit
Sherley G-4-9HC: NWNW Section 4, Township 5 North, Range 65 West
Weld County, Colorado**

Dear Mr. Lepore:

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

W½ of Section 4 and Section 9, Township 5 North, Range 65 West
Containing 640 acres more or less

Bayswater is not the only owner within the proposed wellbore spacing unit and has provided notice to the remaining owners within this spacing unit, as required by COGCC Rule 318A.e.(6). Copies of the required notification letters 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 owners within the proposed spacing unit for the subject well.

Enclosed is the Proposed Spacing Unit Plat to assist in your review and approval of Bayswater's proposed Application for Permit to Drill (APD) for the Sherley G-4-9HC well. Many thanks for your attention to this matter.

Respectfully,



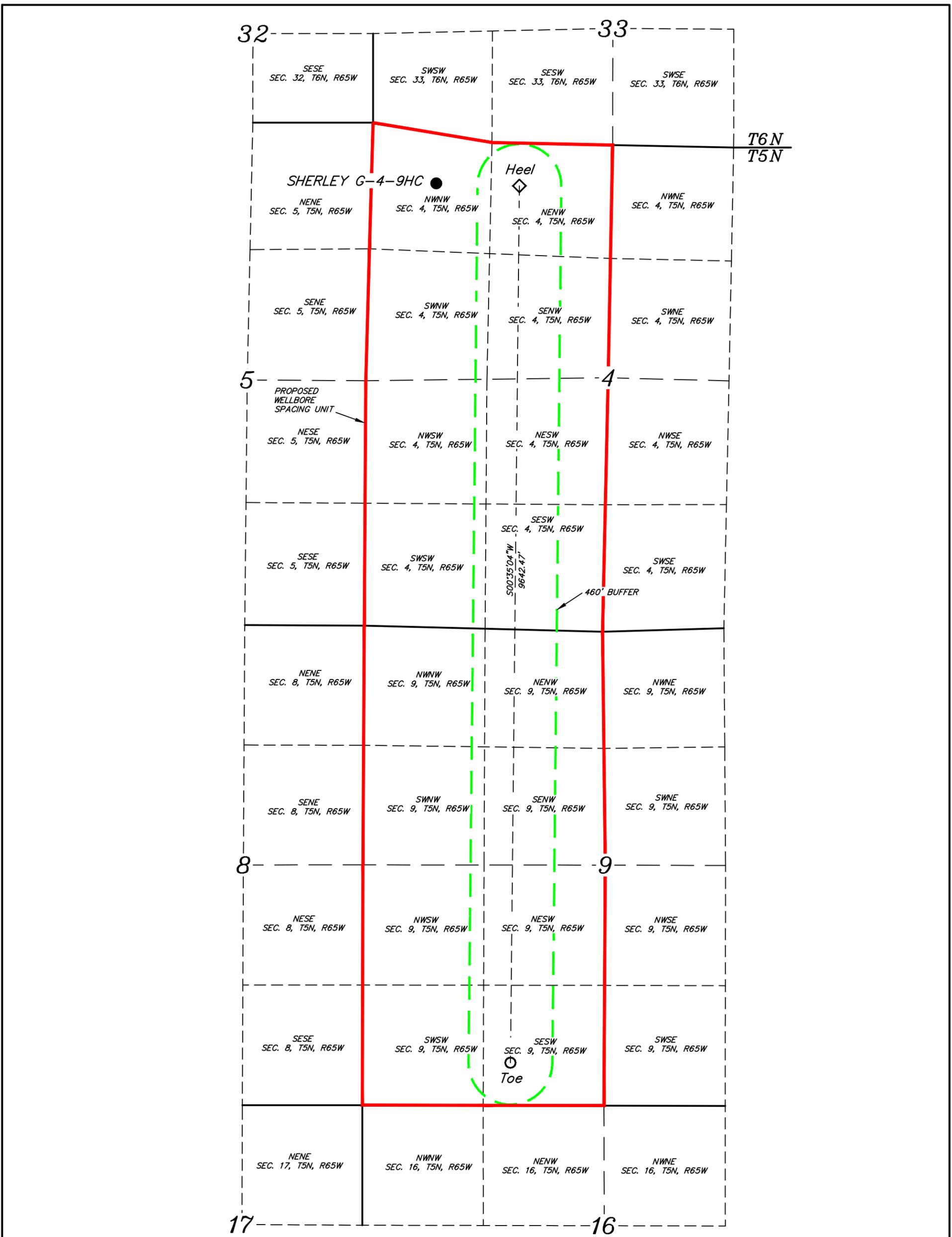
Jennifer Grosshans
Regulatory Analyst
Agent for Bayswater Exploration & Production, LLC

:jg

Enclosure: Proposed Spacing Unit Plat

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

-Aristotle



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|--|---|---|
| NAD 83 (TOE) LATITUDE = 40°24'27.93" (40.407758) LONGITUDE = 104°40'19.68" (104.672133) | NAD 83 (HEEL) LATITUDE = 40°26'03.21" (40.434225) LONGITUDE = 104°40'18.81" (104.671892) | NAD 83 (SURFACE LOCATION) LATITUDE = 40°26'03.43" (40.434286) LONGITUDE = 104°40'30.60" (104.675167) |
| NAD 27 (TOE) LATITUDE = 40°24'27.99" (40.407775) LONGITUDE = 104°40'17.81" (104.671614) | NAD 27 (HEEL) LATITUDE = 40°26'03.28" (40.434244) LONGITUDE = 104°40'16.94" (104.671372) | NAD 27 (SURFACE LOCATION) LATITUDE = 40°26'03.49" (40.434303) LONGITUDE = 104°40'28.73" (104.674647) |

LEGEND:
 ● = PROPOSED WELLHEAD.
 ◆ = HEEL.
 ○ = TOE.

BASIS OF BEARINGS
 BASIS OF BEARINGS IS A G.P.S. OBSERVATION

BAYSWATER EXPLORATION & PRODUCTION, LLC
SHERLEY G-4-9HC
 NW 1/4 NW 1/4, SECTION 4, T5N, R65W, 6th P.M.
 546' FNL 712' FWL
 WELD COUNTY, COLORADO

| | |
|-----------------------------------|----------------------|
| SURVEYED BY: DALLAS NEILSEN, C.J. | DATE: 08-08-14 |
| DRAWN BY: J.W. | DATE DRAWN: 08-21-14 |
| SCALE: 1" = 1000' | REVISED: 09-29-14 |



UELS, LLC
 Corporate Office * 85 South 200 East
 Vernal, UT 84078 * (435) 789-1017



WELLBORE SPACING UNIT