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Denver, CO 80221  
[www.petro-fs.com](http://www.petro-fs.com)

August 19, 2015

Noble Energy, Inc.  
1625 Broadway, Suite 2000  
Denver, Colorado 80202



**RE: COGCC Rule 317.s. Statewide Fracture Stimulation Setback**  
**Albrighton E-10HC Well: SWSW Section 10, Township 6 North, Range 64 West**  
**Albrighton G-10HN Well: SWSW Section 10, Township 6 North, Range 64 West**  
**Albrighton H-10HC Well: SWSW Section 10, Township 6 North, Range 64 West**  
**Albrighton I-10HN Well: SWSW Section 10, Township 6 North, Range 64 West**  
**Weld County, Colorado**

Ladies and Gentlemen:

Bayswater Exploration & Production, LLC (Bayswater) is applying to the Colorado Oil and Gas Conservation Commission (COGCC) to drill the above referenced wells on the Albrighton 10-P Pad. COGCC Rule 317.s. stipulates that no portion of a proposed wellbore's treated interval shall be located within 150 feet from an existing (producing, shut-in, or temporarily abandoned) or permitted oil and gas wellbore's treated interval without the signed, written consent from the operator of the encroached upon wellbore. As currently planned, the following well's treated interval is within 150 feet of the proposed horizontal's treated interval:

1. Foss 10-25 (API: 05-123-26511), 112 foot offset from Albrighton E-10HC Well
2. Foss 10-2-21 (API: 05-123-29784), 126 foot offset from Albrighton G-10HN Well
3. Foss 10-24 (API: 05-123-23441), 99 foot offset from Albrighton H-10HC Well
4. Foss 10-24 (API: 05-123-23441), 91 foot offset from Albrighton I-10HN Well

Pursuant to Rule 317.s., the signed written consent shall be attached to the Form 2 Application for Permit to Drill (APD) for the proposed wellbores. The distance between wellbores measurement shall be based upon the directional survey for drilled wellbores and the deviated drilling plan for permitted wellbores, or as otherwise reflected in the COGCC well records. The distance shall be measured from the perforation or mechanical isolation device.

Per COGCC Rule 317.s., Bayswater is requesting operator consent of the encroached upon setback for the existing wells referenced above. Should you find this acceptable, please so indicate by executing this consent and returning to our office in the self-addressed, stamped envelope provided herein.

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

*-Aristotle*

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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](mailto:regulatory@petro-fs.com). Thank you for your consideration of this matter.

Respectfully,

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

Enclosures: Self-addressed, stamped envelope

**NOBLE ENERGY, INC.**

**RE: COGCC Rule 317.s. Statewide Fracture Stimulation Setback**  
**Albrighton E-10HC Well: SWSW Section 10, Township 6 North, Range 64 West**  
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**Albrighton I-10HN Well: SWSW Section 10, Township 6 North, Range 64 West**  
**Weld County, Colorado**

I, Gerald T. Sullivan, acting as self, officer, agent or employee of Noble Energy, Inc., operator of the Foss 10-24, Foss 10-25, Foss 10-2-21 existing wells, with full power to execute the following, do hereby give consent to Bayswater Exploration & Production, LLC to drill the above proposed wells within the COGCC Rule 317.s. Statewide Fracture Stimulation Setback.

CS Signature

9-2-15  
Date

Gerald T. Sullivan  
Printed Name

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*-Aristotle*

## 150 ft Waiver –Stipulations to Agreement

### Liability:

Notwithstanding anything contained to the contrary in any Joint Operating Agreement entered into by Noble Energy, Inc. (Vertical Operator) and Bayswater E&P (Horizontal Operator) covering the Albrighton H-10HC, any damage caused to the Foss 10-24 well (API No. 05-123-23441) by the drilling of the Albrighton H-10HC shall be the sole responsibility of Bayswater E&P, and as between Bayswater E&P and Noble, Bayswater E&P agrees to accept sole liability and indemnify, defend and hold Noble harmless for such damage.

### Responsibilities & Costs:

The Horizontal Operator will determine if cased well directional surveys need to be performed on the vertical wells in question. If required, the work will be executed by the Vertical Operator on a schedule mutually agreed to by the Vertical Operator and the Horizontal Operator. A flat rate fee of \$15,000/well will be charged to the joint account of the subject horizontal wellbore for gyro surveys for all vertical wells within 150' of the horizontal wellbore that require gyro surveys.

### Technical Research:

The Horizontal Operator will be responsible for technical review and risk assessment of conducting horizontal operations near said vertical wellbores. This review will include consideration of vertical wellhead pressure ratings, collision risk, and wellbore cement and general integrity including surface casing depth. Horizontal Operator's execution hereof shall serve as Horizontal Operator's request for all pertinent well data from the Vertical Operator.

### Timing:

At least 30 days prior to the horizontal well spud date and at least 60 days prior to its completion date, the Vertical Operator shall be notified. The purpose of this notification is to ensure that Vertical Operator equips the vertical wells for monitoring. In heavy agricultural use areas, additional time may be required to plan and access wellheads.

Election: Signed this 2<sup>nd</sup> day of September, 2015.

Horizontal Operator agrees to the Stipulations set forth above: \_\_\_\_\_

Vertical Operator agrees to the Stipulations set forth above: Kevin T. Juen CS



## 150 ft Waiver –Stipulations to Agreement

### Liability:

Notwithstanding anything contained to the contrary in any Joint Operating Agreement entered into by Noble Energy, Inc. (Vertical Operator) and Bayswater E&P (Horizontal Operator) covering the Albrighton G-10HN, any damage caused to the Foss 10-2-21 well (API No. 05-123-29784) by the drilling of the Albrighton G-10HN shall be the sole responsibility of Bayswater E&P, and as between Bayswater E&P and Noble, Bayswater E&P agrees to accept sole liability and indemnify, defend and hold Noble harmless for such damage.

### Responsibilities & Costs:

The Horizontal Operator will determine if cased well directional surveys need to be performed on the vertical wells in question. If required, the work will be executed by the Vertical Operator on a schedule mutually agreed to by the Vertical Operator and the Horizontal Operator. A flat rate fee of \$15,000/well will be charged to the joint account of the subject horizontal wellbore for gyro surveys for all vertical wells within 150' of the horizontal wellbore that require gyro surveys.

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Notwithstanding anything contained to the contrary in any Joint Operating Agreement entered into by Noble Energy, Inc. (Vertical Operator) and Bayswater E&P (Horizontal Operator) covering the Albrighton I-10HN, any damage caused to the Foss 10-24 well (API No. 05-123-23441) by the drilling of the Albrighton I-10HN shall be the sole responsibility of Bayswater E&P, and as between Bayswater E&P and Noble, Bayswater E&P agrees to accept sole liability and indemnify, defend and hold Noble harmless for such damage.

### Responsibilities & Costs:

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## 150 ft Waiver –Stipulations to Agreement

### Liability:

Notwithstanding anything contained to the contrary in any Joint Operating Agreement entered into by Noble Energy, Inc. (Vertical Operator) and Bayswater E&P (Horizontal Operator) covering the Albrighton E-10HC, any damage caused to the Foss 10-25 well (API No. 05-123-26511) by the drilling of the Albrighton E-10HC shall be the sole responsibility of Bayswater E&P, and as between Bayswater E&P and Noble, Bayswater E&P agrees to accept sole liability and indemnify, defend and hold Noble harmless for such damage.

### Responsibilities & Costs:

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