



April 13, 2018

Ms. Julie Murphy, Director  
Colorado Oil and Gas Conservation Commission  
1120 Lincoln Street, Suite 801  
Denver, Colorado 80203

**RE: COGCC Rule 603.a.(2): Property Line Exception Location Request  
KTC Farms 35-A Pad: NWNW Section 35, Township 7 North, Range 66 West  
Weld County, Colorado**

Dear Director Murphy:

Bayswater Exploration & Production, LLC (Bayswater) is planning to drill 16 horizontal wells on the KTC Farms 35-A Pad. COGCC Rule 603.a.(2) states that a well shall be located not less than one hundred fifty (150) feet from a surface property line. The surface locations of Bayswater's proposed wells shall be less than one hundred fifty (150) feet from a surface property line and are thus being permitted as exception locations. The table below shows which wells are within 150 feet of the property line:

Well Name	Doc #	SHL Footage	Distance
KTC Farms A-35-36HN	401465279	252' FNL, 465' FWL	55'
KTC Farms B-35-36HC	401465355	267' FNL, 466' FWL	67'
KTC Farms BA-35-36HN	401465637	282' FNL, 467' FWL	79'
KTC Farms C-35-36HN	401465691	297' FNL, 469' FWL	91'
KTC Farms D-35-36HN	401465713	312' FNL, 470' FWL	103'
KTC Farms E-35-36HC	401465751	327' FNL, 472' FWL	116'
KTC Farms EA-35-36HN	401465782	342' FNL, 473' FWL	128'
KTC Farms F-35-36HN	401465870	357' FNL, 475' FWL	140'

As referenced in 603.a.(2), the Director may grant an exception if it is not feasible for the Operator to meet this minimum distance requirement and a waiver is obtained from the offset Surface Owner(s). The surface owner is the property owner on both sides of the property line and the wells are being proposed at a location agreed upon with the surface owner of both properties via a Surface Use Agreement. Bayswater has also obtained written permission by way of signing the SUA, which explicitly references parcels on both sides of the property line.

Bayswater respectfully requests the COGCC to review the enclosed information and approve the requested property line exception location request and Applications for Permit to Drill for these wells.

Respectfully,

A handwritten signature in black ink, appearing to read 'Justin Garrett', is placed above the typed name.

Justin Garrett  
Regulatory Analyst  
Agent for Bayswater Exploration & Production, LLC