



May 22, 2018

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

**RE: COGCC Rule 318A.e.: Proposed Spacing Unit
KTC Farms 35-A Pad: NWNW Section 35, Township 7 North, Range 66 West
Proposed Wells: KTC Farms A-35-36HN Doc #401465279, KTC Farms B-35-36HC
Doc #401465355, KTC Farms BA-35-36HN Doc #401465637
Weld County, Colorado**

Dear Director Murphy,

Bayswater Exploration & Production, LLC (Bayswater) is planning to drill the above referenced wells in accordance with the provisions set out in Colorado Oil and Gas Conservation Commission (COGCC) Rule 318A.e. Bayswater's Proposed Spacing Unit consists of:

N½N½ of Sections 35 & 36 and S½S½ of Sections 25 & 26, Township 7 North, Range 66 West
Containing 640.00 acres, more or less

Bayswater is not the only owner within the Proposed Spacing Unit and has provided notice to the remaining owners, 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 wells.

Enclosed is the Proposed Spacing Unit Exhibit to assist in your review and approval of Bayswater's Applications for Permit to Drill for the KTC Farms A-35-36HN, KTC Farms B-35-36HC, and KTC Farms BA-35-36HN Wells. Many thanks for your attention to this matter.

Respectfully,

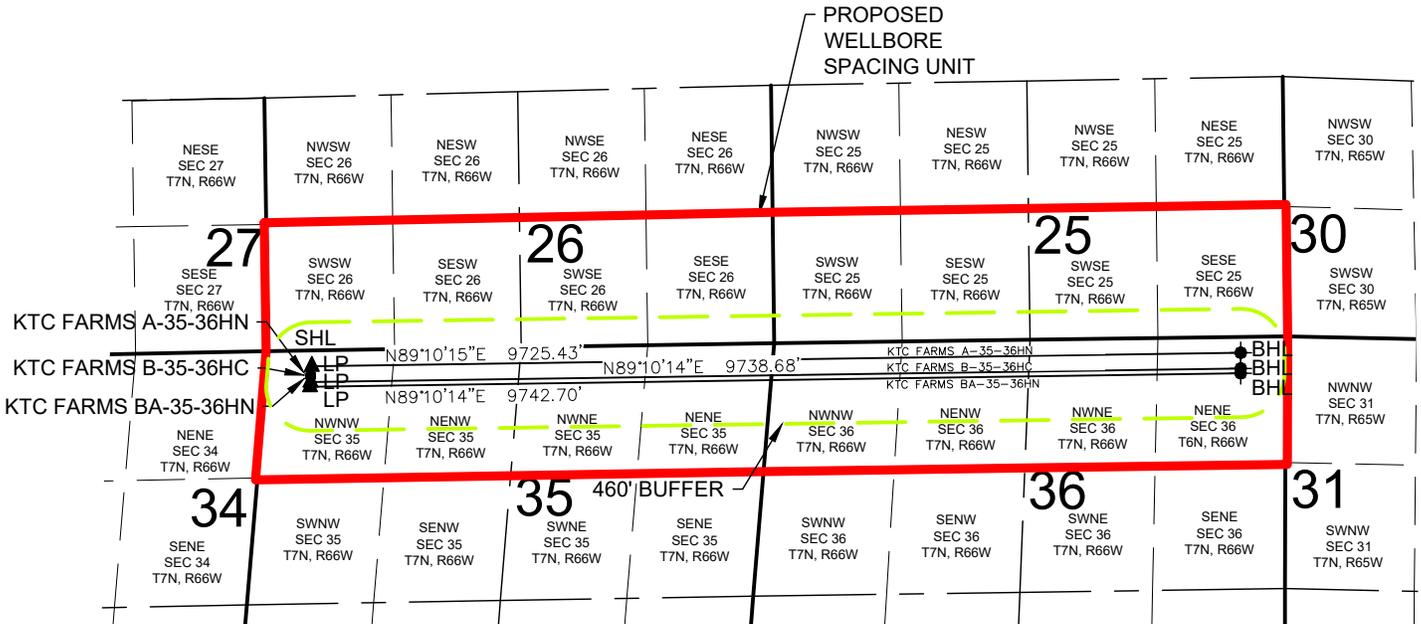
A handwritten signature in black ink, appearing to read 'Justin Garrett', is written over a light blue circular stamp.

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

:jg

Enclosure: Proposed Spacing Unit Exhibit

KTC FARMS 35-A PAD
PROPOSED 318A.a.(4)D. SPACING UNIT
 SEC 25 & 26: S2S2
 SEC 35 & 36: N2N2

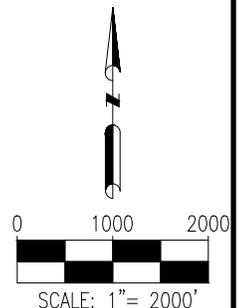


KTC FARMS A-35-36HN WELL TO BE LOCATED 252' FNL AND 465' FWL, SEC 35, T7N, R66W
KTC FARMS B-35-36HC WELL TO BE LOCATED 267' FNL AND 466' FWL, SEC 35, T7N, R66W
KTC FARMS BA-35-36HN WELL TO BE LOCATED 282' FNL AND 467' FWL, SEC 35, T7N, R66W

LEGEND

- = PROPOSED WELL
- = BOTTOM HOLE
- ▲ = LANDING POINT
- SHL = SURFACE HOLE LOCATION
- BHL = BOTTOM HOLE LOCATION
- LP = LANDING POINT

DISCLAIMER:
 THIS PLOT DOES NOT REPRESENT A MONUMENTED LAND SURVEY AND SHOULD NOT BE
 RELIED UPON TO DETERMINE BOUNDARY LINES. PROPERTY OWNERSHIP OR OTHER
 PROPERTY INTERESTS, PARCEL LINES, IF DEPICTED HAVE NOT BEEN FIELD VERIFIED AND
 MAY BE BASED UPON PUBLICLY AVAILABLE DATA THAT ALSO HAS NOT BEEN
 INDEPENDENTLY VERIFIED.




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 www.ascentgeomatics.com

FIELD DATE:
 06-01-17

DRAWING DATE:
 11-13-17

BY:
 DP

CHECKED:
 CSG

SITE NAME:
 KTC FARMS 35-A PAD

SURFACE LOCATION:
 NW 1/4 NW 1/4, SEC. 35, T7N, R66W, 6TH P.M.
 WELD COUNTY, COLORADO

PREPARED FOR:

