



March 8, 2018

Dallas & Nancy Schleining  
P.O. Box 3  
Ault, CO 80610

Re: COGCC Rule 318A.a.: Exception Location Waiver  
Bayswater Exploration & Production, LLC, East Ault wells (16): NWNE Section 18, Township 7 North,  
Range 65 West, Weld County, Colorado

Dear Mr. & Mrs. Schleining:

*Per the COGCC Rule 318A.a*

**GWA, GWA wells, GWA windows and unit designations.** *The Greater Wattenberg Area ("GWA") is defined to include those lands from and including Townships 2 South to 7 North and Ranges 61 West to 69 West, 6th P.M. In the GWA, operators may utilize the following described surface drilling locations ("GWA windows") to drill, twin, deepen, or recomplete a well ("GWA well") and to commingle any or all Cretaceous Age formations from the base of the Dakota Formation to the surface:*

- (1) A square with sides four hundred (400) feet in length, the center of which is the center of any governmental quarter-quarter section ("400' window"); and,*
- (2) A square with sides eight hundred (800) feet in length, the center of which is the center of any governmental quarter section ("800' window").*

Bayswater is planning to drill the following 16 horizontal wells as follows:

EAST AULT M-18-19HN TO BE AT 301' FNL & 2367' FEL.  
BOTTOM HOLE AT 470' FSL & 2475' FEL, SEC. 19.  
EAST AULT NA-18-19HN TO BE AT 301' FNL & 2352' FEL.  
BOTTOM HOLE AT 470' FSL & 2360' FEL, SEC. 19.  
EAST AULT N-18-19HC TO BE AT 301' FNL & 2337' FEL.  
BOTTOM HOLE AT 470' FSL & 2310' FEL, SEC. 19.  
EAST AULT O-18-19HN TO BE AT 301' FNL & 2322' FEL.  
BOTTOM HOLE AT 470' FSL & 2145' FEL, SEC. 19.  
EAST AULT P-18-19HN TO BE AT 301' FNL & 2307' FEL.  
BOTTOM HOLE AT 470' FSL & 1815' FEL, SEC. 19.  
EAST AULT QA-18-19HN TO BE AT 300' FNL & 2292' FEL.  
BOTTOM HOLE AT 470' FSL & 1700' FEL, SEC. 19.  
EAST AULT Q-18-19HC TO BE AT 300' FNL & 2277' FEL.  
BOTTOM HOLE AT 470' FSL & 1650' FEL, SEC. 19.  
EAST AULT R-18-19HN TO BE AT 300' FNL & 2262' FEL.  
BOTTOM HOLE AT 470' FSL & 1485' FEL, SEC. 19.  
EAST AULT S-18-19HN TO BE AT 300' FNL & 2247' FEL.  
BOTTOM HOLE AT 470' FSL & 1155' FEL, SEC. 19.  
EAST AULT TA-18-19HN TO BE AT 300' FNL & 2232' FEL.  
BOTTOM HOLE AT 470' FSL & 1040' FEL, SEC. 19.  
EAST AULT T-18-19HC TO BE AT 300' FNL & 2217' FEL.  
BOTTOM HOLE AT 470' FSL & 990' FEL, SEC. 19.  
EAST AULT U-18-19HN TO BE AT 299' FNL & 2202' FEL.  
BOTTOM HOLE AT 470' FSL & 825' FEL, SEC. 19.  
EAST AULT V-18-19HN TO BE AT 299' FNL & 2187' FEL.  
BOTTOM HOLE AT 470' FSL & 495' FEL, SEC. 19.  
EAST AULT WA-18-19HN TO BE AT 299' FNL & 2172' FEL.  
BOTTOM HOLE AT 470' FSL & 380' FEL, SEC. 19.  
EAST AULT W-18-19HC TO BE AT 299' FNL & 2157' FEL.  
BOTTOM HOLE AT 470' FSL & 330' FEL, SEC. 19.  
EAST AULT X-18-19HN TO BE AT 299' FNL & 2142' FEL.  
BOTTOM HOLE AT 470' FSL & 165' FEL, SEC. 19.



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. Bayswater respectfully requests that you, as surface owner, waive rule 318A.a. to expedite permitting of the referenced wells. Please sign and return one copy of this letter in the self-addressed stamped envelope provided herein.

Should you have any question or require additional information, please do not hesitate to contact me at (720)-420-5747.

Sincerely,

Paul Gottlob  
Regulatory & Engineering Technician  
Consultant to Bayswater E&P, LLC

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



I/We/hereby accept waiver of COGCC Rules 318A.a. as it applies to the above referenced Bayswater Exploration & Production, LLC, East Ault wells in the NWNE of Section 18, Township 7 North, Range 65 West, 6<sup>th</sup> P.M.

Dallas & Nancy Schleining

Signed by: Dallas Schleining Nancy Schleining

Name: Dallas Schleining Nancy Schleining

Date: 3-13-2018 3-13-18