



February 8, 2011

Frederick Development Company
2500 Arapahoe Avenue, Suite 220
Boulder, CO 80302
Attn: Mr. Jon Lee

Re: Waiver of Rule 318A.c.(1)
Puritan 6-4-34
Surface Location – 1997' FSL and 2093' FEL
Township 2 North, Range 68 West
Section 34: NW/4SE/4
Weld County, Colorado

Ladies and Gentlemen:

EnCana Oil & Gas (USA) Inc. ("EnCana") staked the Puritan 6-4-34 well at a surface location 1997 feet from the south line and 2093 feet from the east line of Section 34, Township 2 North, Range 68 West (see attached survey plat). This well is being drilled under the rules and regulations of the Colorado Oil and Gas Conservation Commission's (COGCC) Rule 318A, known as the Greater Wattenberg Area Special Well Location, Spacing and Unit Designation Rule. Rule 318A.c.(2) states:

"When the operator is requesting a surface well location greater than fifty (50) feet from a well (unless safety or mechanical considerations of the well to be twinned or topographical or surface constraints justify a location greater than fifty (50) feet), the operator shall provide a consent to the exception signed by the surface owner on which the well is proposed to be located in order for the Director to approve the well location administratively."

The Puritan 6-4-34 was staked 133' west of the existing Puritan 33-34 well located in the same drilling window. As this location was staked with your consent and approval as agreed upon in the Amendment to Compatible Development and Surface Use Agreement dated November 22, 2006, EnCana respectfully requests your consent to an exception location for the ~~Rasmussen 12-28~~ Puritan 6-4-34 by waiver of the COGCC Rule 318A.c.(1).

If this meets with your approval, please sign and date both originals of the letter, keeping one for your files and returning one to the undersigned.

Encana Oil & Gas (USA) Inc.
370 17th Street, Suite 1700
Denver, Colorado USA 80202
t 303.623.2300
www.encana.com

Thank you for your time and consideration in this matter. If you have any questions or comments, please contact me at 720-876-5026.

Very truly yours,

ENCANA OIL & GAS (USA) INC.

A handwritten signature in blue ink, appearing to read 'Emily Cozyris', is positioned above the printed name.

Emily Cozyris
Land Negotiator

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THE UNDERSIGNED SURFACE OWNER HEREBY WAIVES RULE 318Ac.(1) AS IT APPLIES TO THE SURFACE LOCATION OF THE PURITAN 6-4-34 WELL AND APPROVES THE SURFACE LOCATION OF 1997 FEET FROM THE SOUTH LINE AND 2093 FEET FROM THE EAST LINE OF SECTION 34, TOWNSHIP 2 NORTH, RANGE 68 WEST, WELD COUNTY, COLORADO.

SEE ATTACHED MAPS FOR SPECIFIC LOCATION.



Frederick Development Company
AUTHORIZED REPRESENTATIVE