



April 4, 2011

Mr. Wallace H. Grant
c/o Grant, Grant & Goiran LLP
436 Coffman Street, Suite 200
Longmont, CO 80502-0908

RE: Waiver of Rule 318.A.a.(1)
Sullivan 6-4-26 and Sullivan 4-4-26
Surface Location – 1970' FSL, 2237' FEL – Sullivan 4-4-26
Surface Location – 1970' FSL, 2227' FEL – Sullivan 6-4-26
Township 2 North, Range 68 West
Section 26: SE/4
Weld County, Colorado

Dear Mr. Grant:

Encana Oil & Gas (USA) Inc. ("Encana") staked the Sullivan 4-4-26 and Sullivan 6-4-26 well at a surface location 1970 feet from the south line and 2237 feet from the east line for the Sullivan 4-4-26 and 1970 feet from the south line and 2227 feet from the east line for the Sullivan 6-4-26 in Section 26, 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. This rule states that all boundary infill wells be drilled from the same surface location as previously designated in Rule 318A.a.(1) which reads:

"In the Great Wattenberg Area ("GWA"), operator 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 of the Cretaceous Age formations.

- (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");...

The Sullivan 4-4-26 well was staked at a location 47' west of the defined 400' window and the Sullivan 6-4-26 was staked at a location 37' west of the defined 400' window. As this location was staked with your consent and approval, Encana respectfully requests your consent to an exception location for the Sullivan 4-4-26 and 6-4-26 well by waiver of the COGCC Rule 318A.a.(1).

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

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

Thank you for your time and consideration in this matter. If you have any questions or comments, please call Danny Nelson at 970-630-9276 or Emily Cozyris at 720-876-5026.

Sincerely,

ENCANA OIL & GAS (USA) INC.



Emily Cozyris
Land Negotiator

Enclosures

THE UNDERSIGNED SURFACE OWNER HEREBY WAIVES RULE 318A.a.(1) AS IT APPLIES TO THE SURFACE LOCATION OF THE SULLIVAN 4-4-26 WELL THE APPROVES THE SURFACE LOCATION OF 1970 FEET FROM THE SOUTH LINE AND 2237 FEET FROM THE EAST LINE OF SECTION 26, TOWNSHIP 2 NORTH, RANGE 68 WEST, WELD COUNTY, COLORADO.

Wallace H. Grant
c/o Grant, Grant & Goiran LLP

Signed: _____

Title: _____

THE UNDERSIGNED SURFACE OWNER HEREBY WAIVES RULE 318A.a.(1) AS IT APPLIES TO THE SURFACE LOCATION OF THE SULLIVAN 6-4-26 WELL THE APPROVES THE SURFACE LOCATION OF 1970 FEET FROM THE SOUTH LINE AND 2227 FEET FROM THE EAST LINE OF SECTION 26, TOWNSHIP 2 NORTH, RANGE 68 WEST, WELD COUNTY, COLORADO.

Wallace H. Grant
c/o Grant, Grant & Goiran LLP

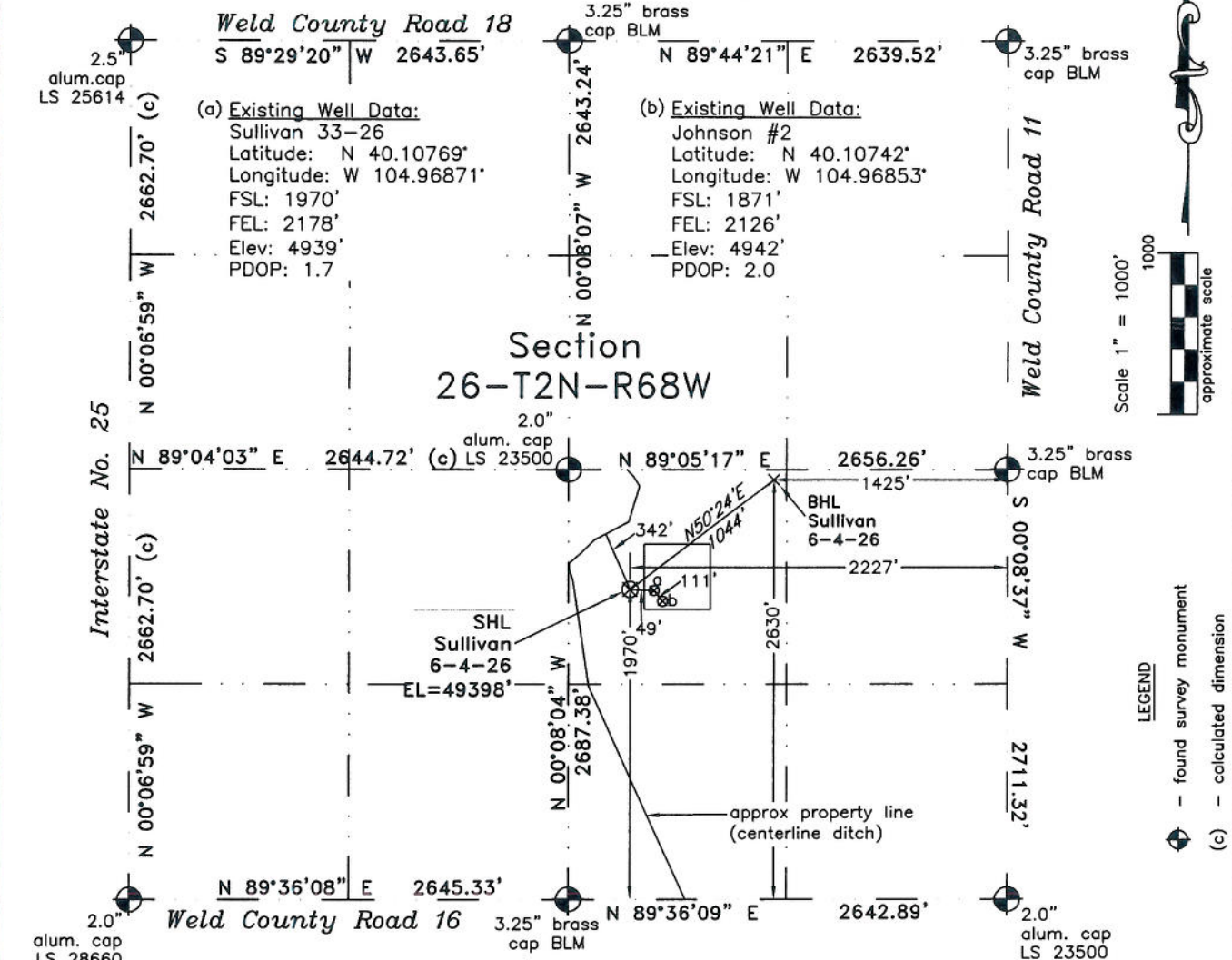
Signed: _____

Title: _____

PLS Group, LLC
 109 Coronado Ct. - Bldg. 7
 Fort Collins, Colorado 80525

WELL LOCATION CERTIFICATE

THIS MAP DOES NOT
 REPRESENT A BOUNDARY SURVEY



In accordance with a request from Emily Cozyris of EnCana Oil & Gas (USA) Inc., PLS Group, LLC has determined the location of the **Sullivan 6-4-26** well site to be SHL: 1970' FSL & 2227' FEL, (BHL: 2630' FSL & 1425' FEL) as measured at ninety (90) degrees from the section lines of Section 26, Township 2 North, Range 68 West of the 6th Principal Meridian, Weld County, Colorado.

Proposed Surface Hole Data:
 Latitude: N 40.10769° (BHL 40.10950°)
 Longitude: W 104.96889° (BHL 104.96600°)
 PDOP: 1.2
 Nearest: Building 888' northwest Above Ground Utility 1941' south
 Public Road 1789' northwest Railroad 18,955' southwest
 Property Line: 342' west Well Window SHL is 37' outside
 Existing Well: Sullivan 33-26 49' east

- Notes:
- 1) Bearings and distances based on NAD 83 Colorado North State Plane Coordinates using RTK GPS observations taken 3/30/11 by operator J.R. McGehee.
 - 2) Conversion factor to ground (1.000274029).
 - 3) Elevations based on NAVD 88 GPS heights and Geoid 2003 corrections.
 - 4) See improvement map for visible improvements within 400 feet.
 - 5) The surface use is agricultural field.

I hereby certify that this Well Location Certificate was prepared by me or under my direct supervision on 3/31/11 for and on behalf of EnCana Oil & Gas (USA) Inc. That it is not a Land Survey Plat or an Improvement Survey Plat and that it is not to be relied upon for establishment of fences, buildings, or other future improvement lines.

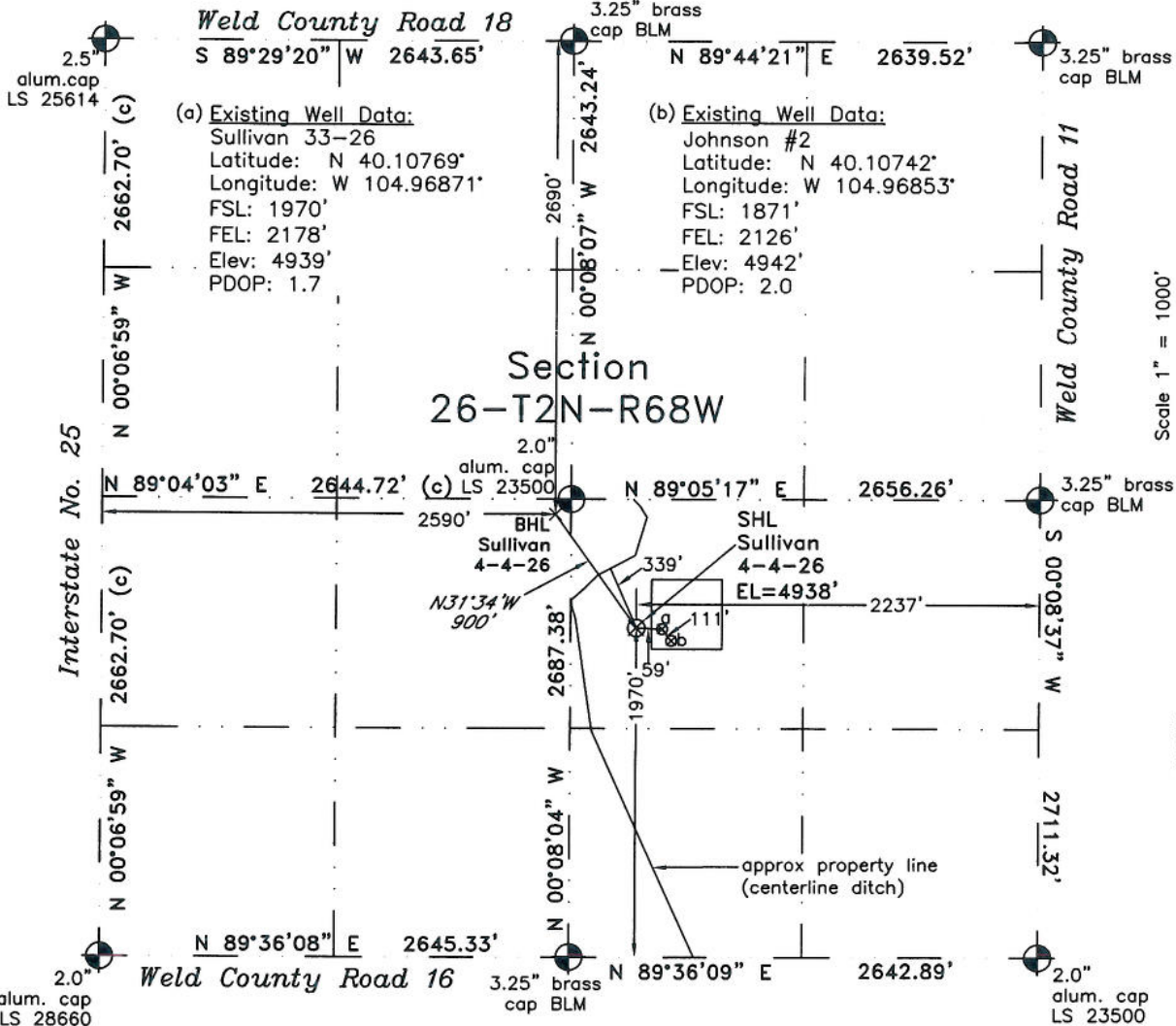
NOTICE: According to Colorado law you MUST commence any legal action based upon any defect in this W.L.C. within three years after you first discover such defect. In no event may any action based upon any defect in this W.L.C. be commenced more than ten years from this said date of the certification shown hereon.

John Robert McGehee PLS#38219
 Well: Sullivan 6-4-26

PLS Group, LLC
 109 Coronado Ct. - Bldg. 7
 Fort Collins, Colorado 80525

WELL LOCATION CERTIFICATE

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 REPRESENT A BOUNDARY SURVEY



In accordance with a request from Emily Cozyris of EnCana Oil & Gas (USA) Inc., PLS Group, LLC has determined the location of the **Sullivan 4-4-26** well site to be SHL: 1970' FSL & 2237' FEL, (BHL: 2690' FNL & 2590' FWL) as measured at ninety (90) degrees from the section lines of Section 26, Township 2 North, Range 68 West of the 6th Principal Meridian, Weld County, Colorado.

Proposed Surface Hole Data:

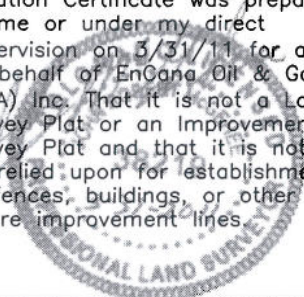
Latitude: N 40.10769° (BHL 40.10980°)
 Longitude: W 104.96892° (BHL 104.97059°)
 PDOP: 1.2

Nearest: Building 885' northwest Above Ground Utility 1941' south
 Public Road 1783' northwest Railroad 18,950' southwest
 Property Line: 339' northwest Well Window SHL is 47' outside
 Existing Well: Sullivan 33-26 59' east

Notes:

- 1) Bearings and distances based on NAD 83 Colorado North State Plane Coordinates using RTK GPS observations taken 3/30/11 by operator J.R. McGehee.
- 2) Conversion factor to ground (1.000274029).
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John Robert McGehee PLS#38219
 Well: Sullivan 4-4-26

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