



August 16, 2012

Colorado Oil & Gas Conservation Commission
1120 Lincoln Street, Suite 801
Denver, CO 80203

Re: Request for exception to Rule 318A.m
Ione 1E-2H
NWNE Sec.2 -T2N-R66W
Weld County, CO

To Whom It May Concern:

Please let this letter serve as a request for administrative approval of an exception location to Rule 318A.m. The proposed lateral for the Ione 1E-2H well is planned to be less than 150', as required by Rule 318A.m, from the following existing well:

Ione 41-2: API# 05-123-31421; NENE-Sec.2-T2N-R66W
Ione 42-2: API# 05-123-21837; SENE-Sec.2-T2N-R66W

The operator of the well listed above is Encana Oil & Gas (USA) Inc., therefore no waiver is required.

Prior to drilling operations, Encana will perform an anti-collision scan of existing offset wells that have the potential of being within close proximity of the proposed well. This anti-collision scan will include definitive MWD or gyro surveys of the offset wells with included error of uncertainty per survey instrument, and compared against the proposed wellpath with its respective error of uncertainty. If current surveys do not exist for the offset wells, Encana may have gyro surveys conducted to verify bottom hole locations. The proposed well will only be drilled if the anti-collision scan results indicate that there is not a risk for collision, or harm to people or the environment. For the proposed well, upon conclusion of drilling operations, an as-constructed gyro survey will be submitted to COGCC with the Form 5.

Encana respectfully requests that the COGCC approve the Application for Permit to Drill for the captioned well. Thank you for your time and attention to this matter. If you have any questions or comments, please contact me at 720-876-5890.

Very truly yours,
ENCANA OIL & GAS (USA) INC.

A handwritten signature in black ink, appearing to read "Jennifer Lind", is written over a horizontal line.

Jennifer Lind
Regulatory Analyst

Encana Oil & Gas (USA) Inc.
Republic Plaza
370 – 17 Street, Suite 1700
Denver, Colorado
United States 80202
t 303.623.2300
f 303.623.2400
www.encana.com