



December 5, 2012

Mr. Matt Lepore, Director
Colorado Oil & Gas Conservation Commission
1120 Lincoln Street, Suite 801
Denver, Colorado 80203

RE: Exception Location Request Rule 318A(I).a.(1),

Billings 2F-18H: 1286' FNL, 230' FWL (SHL)

Dear Director:

Please let this letter serve as a request for administrative approval of exception locations for the captioned oil and gas wells.

Encana Oil & Gas (USA) Inc. ("Encana") proposes to drill the above referenced well at a surface location outside a legal drilling window as defined by Rule 318A(I).a.(1). Signed waivers of rules 318A(I).a.(1) by the surface owner are enclosed.

Thank you for your assistance in this matter.

If you have any questions or comments, please contact me at 720-876-5827.

Sincerely,

Encana Oil & Gas (USA) Inc.

A handwritten signature in black ink, appearing to read "Erin Hochstetler". The signature is fluid and cursive.

Erin Hochstetler
Permitting Technician

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

August 22, 2012

Norton A. Billings
Sara A. Billings
1945 Spruce Avenue
Longmont, CO 80501



RE: Waiver of Rule 318A(I).a.(1)

Well Name and Surface Location

Billings 2A-18H: 1236' From North Line and 230' From West Line
Billings 2B-18H: 1246' From North Line and 230' From West Line
Billings 2C-18H: 1256' From North Line and 230' From West Line
Billings 2D-18H: 1266' From North Line and 230' From West Line
Billings 2E-18H: 1276' From North Line and 230' From West Line
Billings 2F-18H: 1286' From North Line and 230' From West Line
Billings 2G-18H: 1296' From North Line and 230' From West Line
Billings 2H-18H: 1306' From North Line and 230' From West Line
Section 18, T 3 N, R 68 W, of the 6th P.M.
Weld County, Colorado

Dear Norton and Sara Billings:

Encana Oil & Gas (USA) Inc. ("Encana") staked the above mentioned wells at surface locations as identified above (see attached Well Location Certificate). These wells are being drilled under the rules and regulations of the Colorado Oil and Gas Conservation Commission's ("COGCC") Rule 318A(I) known as the Greater Wattenberg Area Special Well Location, Spacing and Unit Designation Rule (Except the City and County of Broomfield). This rule states that all boundary infill wells be drilled from the same surface locations as previously designated in Rule 318A(I).a.(1) which reads:

"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 of the 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");

The wells were staked at locations southwest of the defined 400' window. As these locations were staked with your consent and approval, Encana respectfully requests your consent to exception locations for the Billings 2A-18H, Billings 2B-18H, Billings 2C-18H, Billings 2D-18H, Billings 2E-18H, Billings 2F-18H, Billings 2G-18H and Billings 2H-18H wells by waiver of the COGCC Rule 318A(I).a (1).

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 the undersigned at (720) 369-0432.

Respectfully,

Encana Oil & Gas (USA) Inc.

A handwritten signature in blue ink, appearing to read "Bob Bresnahan".

Bob Bresnahan
Field Land Negotiator
Encana Oil & Gas (USA) Inc.

Encana Oil & Gas (USA) Inc.

3601 Stagecoach Road
Longmont, Colorado USA 80504

Cell: 720-369-0432

Bob.Bresnahan@encana.com
www.encana.com

Norton A. Billings
Sara A. Billings
Billings 2A-18H
Billings 2B-18H
Billings 2C-18H
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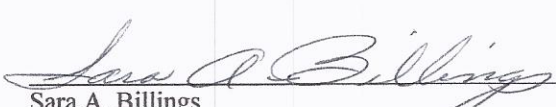
THE UNDERSIGNED SURFACE OWNERS HEREBY WAIVES RULE 318A(I).a.(1) AS IT APPLIES TO THE SURFACE LOCATIONS OF THE WELLS IDENTIFIED BELOW AND APPROVES THE SURFACE LOCATIONS AS INDICATED FROM SECTION 18, TOWNSHIP 3 NORTH, RANGE 68 WEST, WELD COUNTY, COLORADO.

| <u>WELL NAME</u> | <u>SURFACE LOCATION</u> |
|------------------|---|
| BILLINGS 2A-18H: | 1236' FROM NORTH LINE AND 230' FROM WEST LINE |
| BILLINGS 2B-18H: | 1246' FROM NORTH LINE AND 230' FROM WEST LINE |
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NORTON A. BILLINGS


Norton A. Billings

SARA A. BILLINGS


Sara A. Billings

Encl.