



MEMORANDUM OF SURFACE DAMAGE AND RELEASE AGREEMENT



Pursuant to the terms of that certain unrecorded Surface Damage and Release Agreement dated effective the 23rd day of April, 2012 between the undersigned, and subject to the conditions set forth therein, Encana Oil & Gas (USA) Inc. ("Encana") with an address at 370 17th Street, Suite 1700, Denver, Colorado 80202, and J O Farms LLC, c/o Donald L. Johnson (Owner) with an address at 11355 North 75th Street, Longmont, Colorado 80503, agreed to the location of wells and payment for damages to the surface of the below described land connected with the access to and the drilling, construction, completion, recompletion, reworking, re-entry, production, maintenance and operations of the wells and all pipelines, tank batteries and other facilities or property of Encana or its affiliates associated with the wells and located on the following land:

Township 3 North, Range 68 West, 6th P.M.
Section 17: NW1/4, North 60 Acres of the N1/2SW1/4
Weld County, Colorado


This Memorandum of Surface Damage and Release Agreement is executed by Owner and Encana and placed of record in Weld County, Colorado for the purpose of placing all persons on notice of the existence of the Agreement.

In witness whereof this instrument is executed effective the 23rd day of April 2012.

ENCANA OIL & GAS (USA) INC.

By: 
Ricardo D. Gallegos, VP, Bus. Dev. – Negotiations
& Lead Rockies & Intl. Land 

J O FARM LLC


Donald L. Johnson

ACKNOWLEDGMENTS

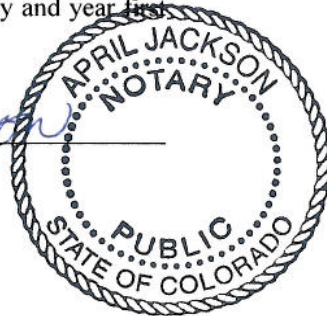
STATE OF COLORADO)
)ss
CITY AND COUNTY OF DENVER)

On this 23rd day of April 2012, before me personally appeared Ricardo D. Gallegos who executed the within and foregoing instrument as VP, Bus. Dev. – Negotiations & Lead Rockies & Intl. Land of Encana Oil & Gas (USA) Inc. on behalf of the corporation, and acknowledged the instrument to be the free and voluntary act and deed of the corporation for the uses and purposes therein set forth

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

My Commission Expires 3/25/13
(SEAL)

Notary Public: April Jackson



My Commission Expires 03/25/2013

STATE OF COLORADO)
)ss
COUNTY OF ~~WELD~~ Boulder)

On this 27th day of April 2012, before me personally appeared Donald L. Johnson, who executed the within and foregoing instrument as Manager of J O Farm LLC on behalf of said limited liability company, and acknowledged the instrument to be the free and voluntary act and deed of the limited liability company for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

My Commission Expires: 7/8/13
(SEAL)

Notary Public: Donna Marie Kelley

