



December 5, 2012

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

RE: Lone 1E-10H
Township 2 North, Range 66 West, 6th P.M.
Section 10: 768' FNL, 1332' FEL (Surface Location)
Section 10: 460' FSL, 850' FEL (Bottom Hole Location)
Weld County, Colorado

Dear Director:

Encana Oil & Gas (USA) Inc. ("Encana") is planning to drill the captioned boundary well in accordance with the provisions of COGCC Rule 318A.e.

Encana's proposed wellbore spacing unit consists of E2 Sec 10 T2N-R66W, creating a 320 -acre wellbore spacing unit for the proposed formation(s).

Encana is not the only owner within the proposed spacing unit, and as such provided notice to the remaining owner(s) within said proposed spacing unit as required under COGCC Rule 318A.e(6). The required thirty (30) day notice period has elapsed absent the receipt by Encana of an objection to said proposal by the owner(s) within the proposed spacing unit for this well.

Enclosed is a copy of the map illustrating the proposed wellbore spacing unit to assist you in your review and approval of Encana's proposed APD for the captioned well.

Thank you for your time and attention to this matter. Encana respectfully requests that the COGCC review the enclosed information and approve the Application for Permit to Drill the captioned well.

Sincerely,

A handwritten signature in black ink, appearing to read "Erin Hochstetler".

Erin Hochstetler
Permitting Technician

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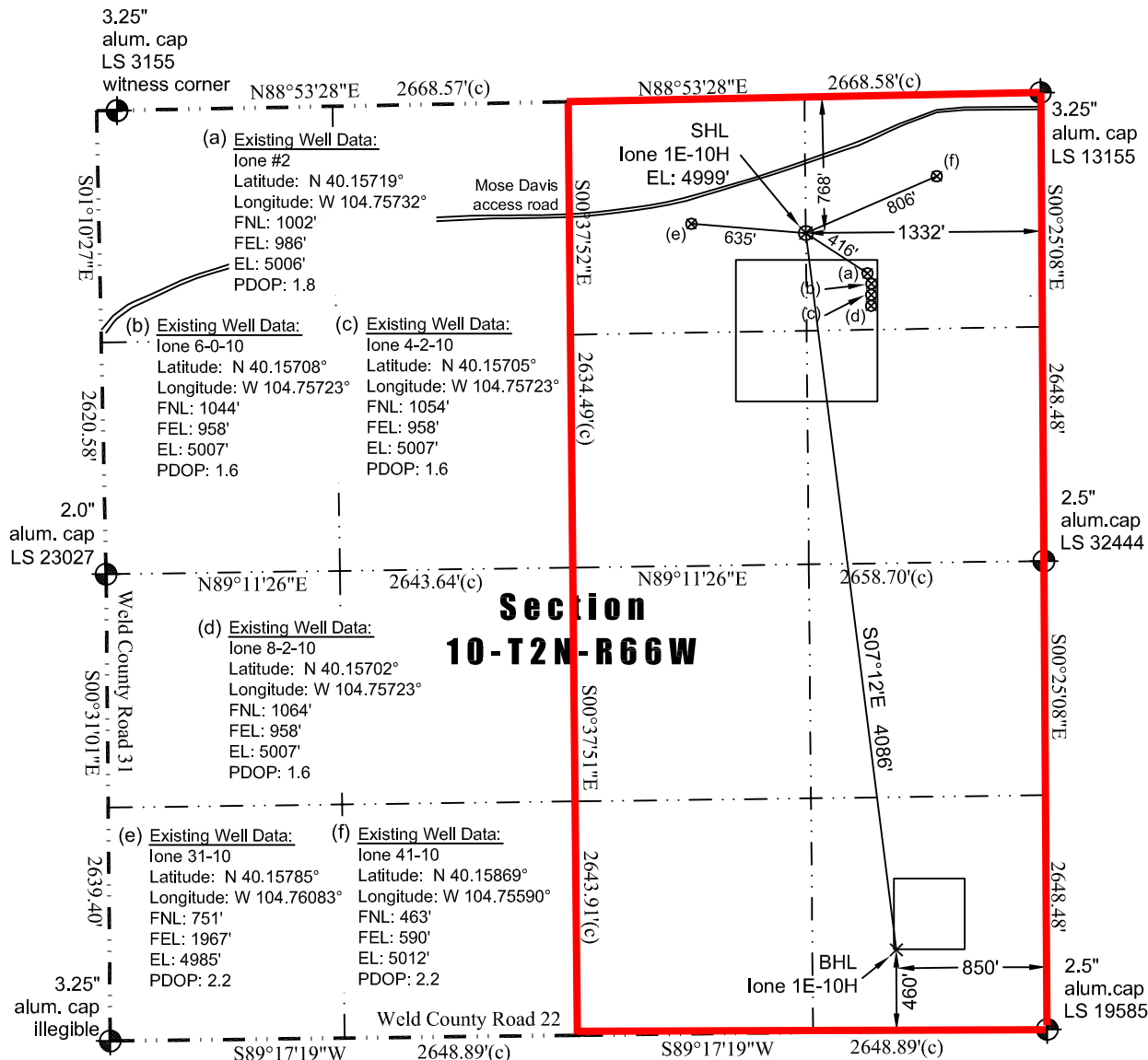
Proposed Spacing Unit Map

JR Land Surveying, LLC

8114 Northstar Drive
Windsor, Colorado 80528
P. 970-576-4641

WELL LOCATION CERTIFICATE

THIS MAP DOES NOT REPRESENT A BOUNDARY SURVEY



Scale 1" = 1000'
approximate scale

LEGEND
— found survey monument
— calculated dimension
(c)

In accordance with a request from Jay Knutson of EnCana Oil & Gas (USA) Inc., JR Land Surveying, LLC has determined the location of the **lone 1E-10H** well site to be SHL: 768' FNL and 1332' FEL, (BHL: 460' FSL and 850' FEL) as measured at ninety (90) degrees from the section lines of Section 10, Township 2 North, Range 66 West, 6th Principal Meridian, County of Weld, CO.

Proposed Surface Hole Data:

Latitude: N 40.15783° (BHL: 40.14669°)
Longitude: W 104.75856° (BHL: 104.75685°)
PDOP: 1.8

Nearest:

Building: 3,635' southwest
Public Road: 4,010' west
Property Line: 768' north
Existing Well: Lone #2, 416' southeast
Above Ground Utility: 3,397' northwest
Railroad: 14,990' southwest
Well Window: SHL is 153' outside

Notes:

- 1) Bearings and distances based on NAD 83 Colorado North State Plane Coordinates using RTK GPS observations taken 10/4/12 by operator John Rice.
- 2) Conversion factor to ground (1.0002753983).
- 3) Elevations based on NAVD 88 GPS heights and Geoid 2003 corrections.
- 4) See Location Drawing for visible improvements within 400 of pad site.
- 5) The surface use is a uncultivated field.

I hereby certify that this Well Location Certificate was prepared by me or under my direct supervision on 10/10/2012 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.

John Robert McGehee LS#38219
Well: lone 1E-10H WLC