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RECEPTION #: 2369929, BK 4379 PG 197 03/19/2007 at 04:15:29 PM, 1 OF 1, R $5.00 S $1.00 Doc Code: REL AGMT
Janice Rich, Mesa County, CO CLERK AND RECORDER

MEMORANDUM OF SURFACE DAMAGE AND RELEASE AGREEMENT

This Memorandum of Surface Damage and Release Agreement is executed by Larry D. Knox and Danna Knox, whose address is 12865 County Road 6820, Montrose, CO 81401 ("Surface Owner") and EnCana Oil & Gas (USA) Inc., 370 17th, Suite 1700, Denver, Colorado 80202 ("EnCana") and placed of record in Mesa County, Colorado for the purpose of placing all persons on notice of the existence of that certain unrecorded Surface Damage and Release Agreement between Surface Owner and EnCana dated the 15 day of December, 2006 (the "Agreement").

The Agreement provides for the use of the surface of the land described below by EnCana in connection with certain oil and gas operations and for the compensation to Surface Owner for all damages to the surface of the land associated with the drilling, construction, testing, completion, recompletion, reworking, re-entry, production, maintenance and operation of the well(s) and all pipelines, tank batteries, and other facilities or property of EnCana or its affiliates associated with the well(s) located on the J14OU wellsite to be located in:

Township 8 South, Range 96 West, 6th P.M.
Section 14: NW/4SE/4

A true and complete copy of the Agreement is available from EnCana to any person owning an interest in the above described land.

Surface Owner:

Larry D. Knox

Danna Knox

EnCana Oil & Gas (USA) Inc.

Douglas W. Jones, Attorney-in-Fact

ACKNOWLEDGEMENTS

State of Colorado)
) §
County of Mesa)

On this 15 day of December, 2006, before me personally appeared Larry D. Knox and Danna Knox, known to me to be the persons described in and who executed the foregoing instrument, and who acknowledged to me that they executed the same.

(SEAL)

My commission expires: 9-12-09

Notary Public

JOE HANEY NOTARY PUBLIC STATE OF COLORADO

State of Colorado)
) §
County of Denver)

On this 29th day of January, 2007, before me personally appeared Douglas W. Jones, Attorney-in-Fact for Encana Oil & Gas (USA), Inc., known to me to be the person described in and who executed the foregoing instrument, and who acknowledged to me that they executed the same.

(SEAL)

My commission expires: 6/23/09

Notary Public

DIANA K. WEBER NOTARY PUBLIC STATE OF COLORADO
My Commission Expires 06/23/2009