



May 6, 2013

Del Camino East Properties, LLC  
c/o Genesis Firestone LLC  
9116 W. Bowles Ave. No. 2  
Littleton, CO 80123

RE: Waiver of Rule 318A(1).a.(1)(2)  
Out of Window  
Township 2 North, Range 68 West 6<sup>th</sup> P.M.  
Section 14: NW/4  
Weld County, Colorado

Well Name	Surface Location- Footages			
Grant Elmquist 2A-14H-C268	796'	FNL	1643'	FWL
Grant Elmquist 2B-14H-C268	796'	FNL	1653'	FWL
Grant Elmquist 2C-14H-C268	796'	FNL	1663'	FWL
Grant Elmquist 2D-14H-C268	796'	FNL	1673'	FWL
Grant Elmquist 2E-14H-C268	796'	FNL	1683'	FWL
Grant Elmquist 2F-14H-C268	796'	FNL	1693'	FWL
Grant Elmquist 2G-14H-C268	796'	FNL	1703'	FWL

Dear Miles:

Encana Oil & Gas (USA) Inc. ("Encana") staked the Grant Elmquist wells the surface locations listed above (footages are further detailed on the attached Well Location Certificates). 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)(2) 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:

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");

Encana Oil & Gas (USA) Inc.

Republic Plaza 370 17<sup>th</sup> Street Suite 1700 Denver CO 80202 USA 303.623.2300 [encana.com](http://encana.com)

Del Camino East Properties, LLC  
Waiver of Rule 318A(1).a.(1)(2)  
May 6, 2013  
Page 2 of 3



The wells were staked at locations 120' north of the defined (400') window. As these locations were staked with your consent and approval, Encana respectfully requests your consent to an exception location for the wells by waiver of the COGCC Rule 318A(1).a.(1)(2).

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 720-876-3575 .

Very truly yours,

**Encana Oil & Gas (USA) Inc.**

A handwritten signature in black ink, appearing to read "Marian M. Learned".

Marian M. Learned  
Land Negotiator

A small, handwritten mark in green ink, possibly initials or a checkmark.



THE UNDERSIGNED SURFACE OWNER HEREBY WAIVES RULE 318A(I).a.(1)(2) AS IT APPLIES TO THE SURFACE LOCATIONS OF THE FOLLOWING WELLS AND APPROVES THE SURFACE LOCATIONS AS NOTED BELOW FROM THE SECTION LINES OF SECTION 14, TOWNSHIP 2 NORTH, RANGE 68 WEST, WELD COUNTY, COLORADO.

<u>Well Name</u>	<u>Surface Location- Footages</u>			
Grant Elmquist 2A-14H-C268	796'	FNL	1643'	FWL
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Grant Elmquist 2G-14H-C268	796'	FNL	1703'	FWL

**SURFACE OWNER**

**DEL CAMINO EAST PROPERTIES, LLC**  
A Colorado limited liability company

By: Genesis Firestone, LLC,  
a Colorado limited liability company,  
its Manager

By: MGRS Capital Group, LLC,  
a Colorado limited liability company,  
its Manager

By: 8898, Inc.,  
a Colorado corporation,  
its Manager

By :   
Miles R. Grant, President

May 6, 2013

Del Camino East Properties, LLC  
 c/o Genesis Firestone, LLC  
 9116 W. Bowles Ave. No. 2  
 Littleton, CO 80123

RE: Waiver of Rule 603.a.(2)  
 Property Line  
Township 2 North, Range 68 West 6<sup>th</sup> P.M.  
 Section 14: NW/4  
 Weld County, Colorado

<u>Well Name</u>	<u>Surface Location- Footages</u>			
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Grant Salisbury 2A-14H-C268	1348'	FNL	1650'	FWL
Grant Salisbury 2B-14H-C268	1348'	FNL	1660'	FWL
Grant Salisbury 2C-14H-C268	1348'	FNL	1670'	FWL
Grant Salisbury 2D-14H-C268	1348'	FNL	1680'	FWL
Grant Salisbury 2E-14H-C268	1348'	FNL	1690'	FWL
Grant Salisbury 2F-14H-C268	1348'	FNL	1700'	FWL

Dear Miles:

Encana Oil & Gas (USA) Inc. ("Encana") staked the Grant Elmquist and Grant Salisbury wells at the surface locations listed above (footages are further detailed on the attached Well Location Certificates). These wells are being drilled under the rules and regulations of the Colorado Oil and Gas Conservation Commission's ("COGCC") Rule 603.a.(2) Statewide Setbacks. This rule states:

- (2) A well shall be a minimum distance of one hundred fifty (150) feet from a surface property line. An exception may be granted by the Director if it is not feasible for the operator to meet this minimum distance requirement and a waiver is obtained from the offset surface owner(s). An exception request letter stating the reasons for the exception shall be submitted to the Director and accompanied by a signed waiver(s) from the offset surface owner(s). Such waiver shall be written and filed in the county clerk and recorder's office and with the Director.

Encana Oil & Gas (USA) Inc.



Republic Plaza 370 17<sup>th</sup> Street Suite 1700 Denver CO 80202 USA 303.623.2300 encana.com

Del Camino East Properties, LLC  
Rule 603.a.(2) waiver  
May 6, 2013  
Page 2 of 3



The wells were staked at locations within 30' of your property line and as such, Encana respectfully requests your consent to an exception location for these wells by waiver of the COGCC Rule 603.a (2).

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 contact the undersigned at 720-876-3575.

Sincerely,

**Encana Oil & Gas (USA) Inc.**

A handwritten signature in black ink, appearing to read "M. Learned", is written over the typed name. To the right of the signature is a small, hand-drawn green mark that looks like a stylized number "7" or a checkmark.

Marian M. Learned  
Land Negotiator



THE UNDERSIGNED SURFACE OWNER HEREBY WAIVES RULE 603.a.(2) AS IT APPLIES TO THE SURFACE LOCATIONS OF THE FOLLOWING WELLS AND APPROVES THE SURFACE LOCATIONS AS NOTED BELOW FROM THE SECTION LINES OF SECTION 14, TOWNSHIP 2 NORTH, RANGE 68 WEST, WELD COUNTY, COLORADO.

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**SURFACE OWNER**

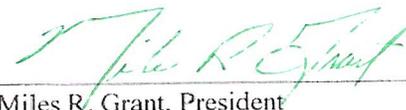
**DEL CAMINO EAST PROPERTIES, LLC**

A Colorado limited liability company

By: Genesis Firestone, LLC,  
a Colorado limited liability company,  
its Manager

By: MGRS Capital Group, LLC,  
a Colorado limited liability company,  
its Manager

By: 8898, Inc.,  
a Colorado corporation,  
its Manager

By:   
Miles R. Grant, President

May 6, 2013

Del Camino East Properties, LLC  
 c/o Genesis Firestone, LLC  
 9116 W. Bowles Ave. No. 2  
 Littleton, CO 80123

RE: Waiver of Rule 318A(I).c.(1)  
 Twinning  
Township 2 North, Range 68 West 6<sup>th</sup> P.M.  
 Section 14: NW/4  
 Weld County, Colorado

<u>Well Name</u>	<u>Surface Location- Footages</u>			
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Dear Miles:

Encana Oil & Gas (USA) Inc. ("Encana") staked the Grant Elmquist and Grant Salisbury wells at the surface locations listed above (footages are further detailed on the attached Well Location Certificates). 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). Rule 318A(I).c.(1) states:

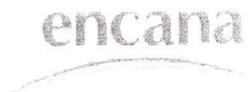
"When the operator is requesting a surface well location greater than fifty (50) feet from a well (unless safety or mechanical considerations of the well to be twinned or topographical or surface constraints justify a location greater than fifty (50) feet), the operator shall provide a consent to the exception signed by the surface owner on which the well is proposed to be located in order for the Director to approve the well location administratively."



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Del Camino East Properties, LLC  
Waiver of Rule 318A(1).c.(1)  
May 6, 2013  
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The Grant Elmquist wells were staked at locations greater than 470' southwest of the existing Olander #2 well located in the same drilling window and the Grant Salisbury wells were staked at locations greater than 311' northwest of the existing Olander #2 wells located in the same drilling window. As these locations were staked with your consent and approval, Encana respectfully requests your consent to an exception location for these wells by waiver of the COGCC Rule 318A(1).c.(1).

If this meets with your approval, please sign and date both originals of the 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 contact the undersigned at 720-876-3575.

Very truly yours,

**Encana Oil & Gas (USA) Inc.**

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Marian M. Learned  
Land Negotiator

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