

May 8, 2013

LR Investments, LLC  
Attn: Blake Carlson  
10261 Arapahoe Rd  
Lafayette, CO 80026

RE: **Waiver of Rule 318A(I).a.(1)**  
Frederiksen 1B-28H-H368 2260' FNL and 255' FEL (SENE)  
Frederiksen 1C-28H-H368 2270' FNL and 255' FEL (SENE)  
Section 28, T3N, R68W  
Weld County, Colorado

Dear Mr. Carlson:

Encana Oil & Gas (USA) Inc. ("Encana") staked the captioned wells ("Wells") at a surface location as described above in the SENE of Section 28, Township 3 North, Range 68 West (see attached survey plats). 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, 6<sup>th</sup> 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 captioned Wells were staked at a location south and east of the defined 400' window. As this location was staked with your consent and approval, Encana respectfully requests your consent to an exception location for the captioned 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 720.876.3440 .

Very truly yours,

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



Sheila Frazier, CPL  
Land Negotiator, DJ Basin

THE UNDERSIGNED SURFACE OWNER HEREBY WAIVES RULE 318A(I).a.(1) AS IT APPLIES TO THE SURFACE LOCATION OF:

FREDERIKSEN 1B-28H-H368 WELL - AND APPROVES THE SURFACE LOCATION OF 2260 FEET FROM THE NORTH LINE AND 255 FEET FROM THE EAST LINE OF SECTION 28, TOWNSHIP 3 NORTH, RANGE 68 WEST, WELD COUNTY, COLORADO.

FREDERIKSEN 1C-28H-H368 WELL - AND APPROVES THE SURFACE LOCATION OF 2270 FEET FROM THE NORTH LINE AND 255 FEET FROM THE EAST LINE OF SECTION 28, TOWNSHIP 3 NORTH, RANGE 68 WEST, WELD COUNTY, COLORADO.

**LR INVESTMENTS, LLC**

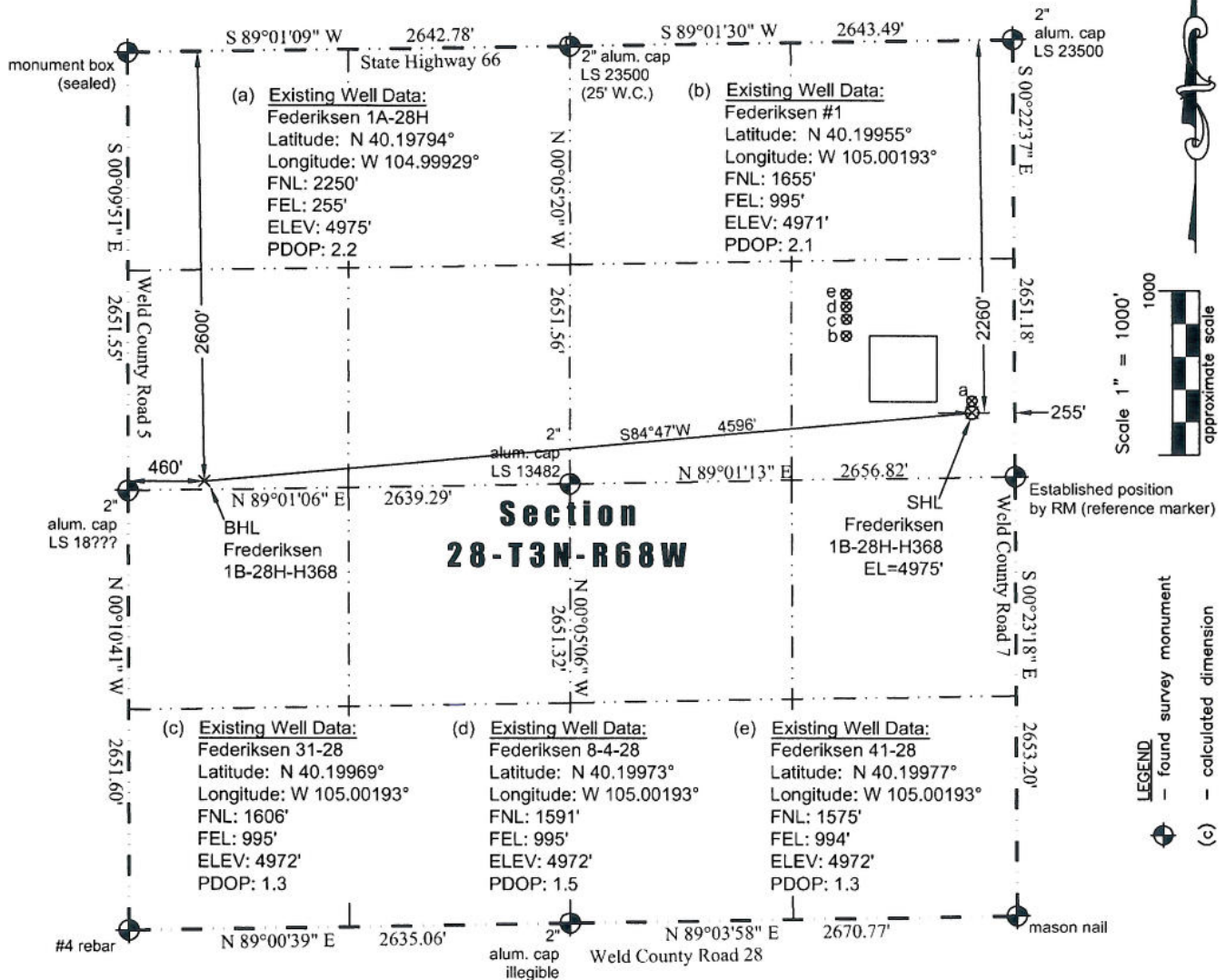


by \_\_\_\_\_  
Blake Carlson  
Manager

JR Land Surveying, LLC  
8114 Northstar Drive  
Windsor, Colorado 80528  
P. 970-576-4641

## WELL LOCATION CERTIFICATE

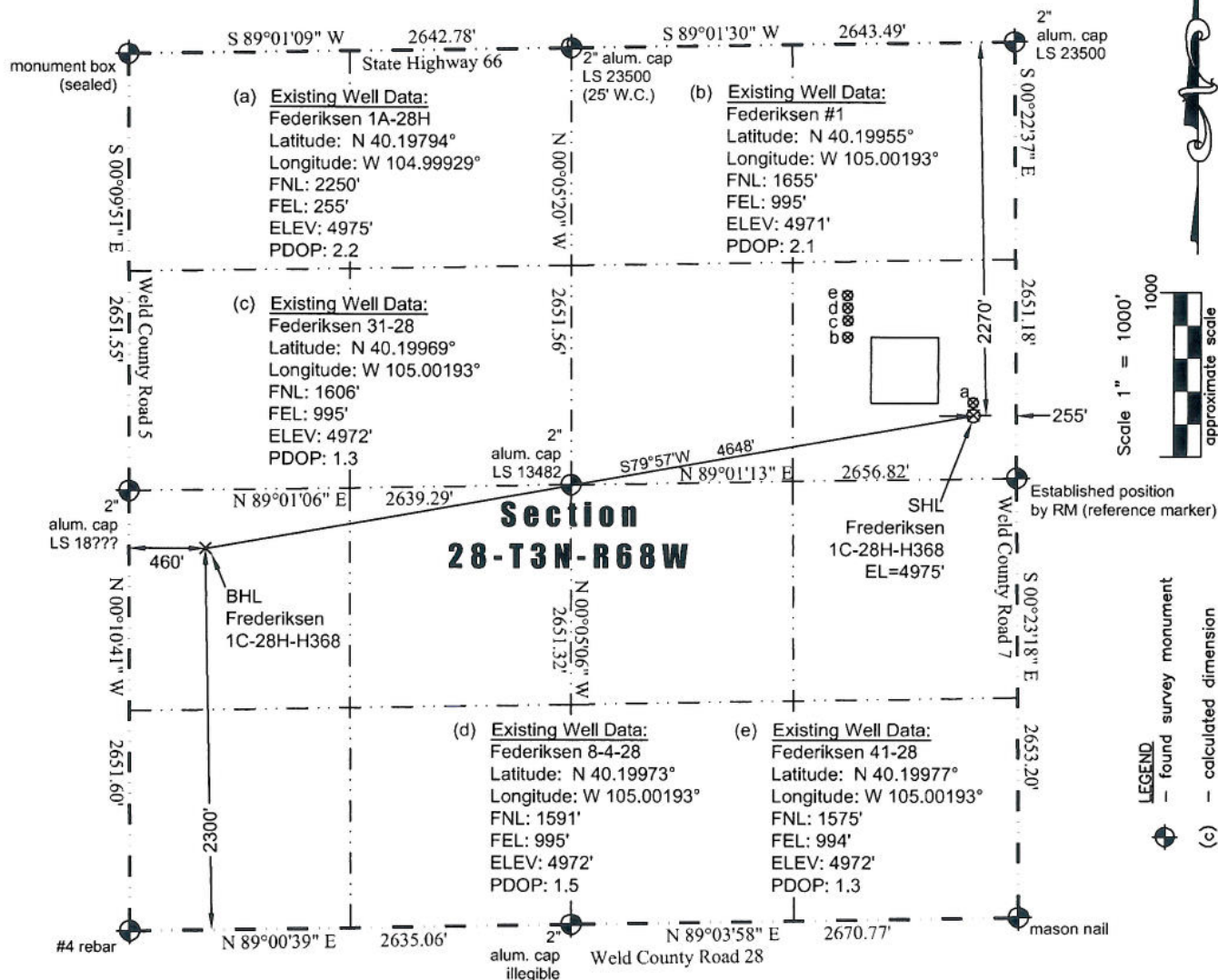
THIS MAP DOES NOT REPRESENT A BOUNDARY SURVEY



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



I hereby certify that this Well Location Certificate was prepared by me or under my direct supervision on 4/8/2013 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: Frederiksen 1C-28H-H368 WLC