

July 15, 2014

Kiyota Properties, LLC
11964 WCR 21 1/2
Fort Lupton, CO 80621

Re: Waiver of Rule 318A(I).c.(1)
Kiyota 4A-35H-O367 through Kiyota 4L-35H-O367
Surface Location – Section 35, T3N, R67W, Weld County, Colorado

Well Name	FSL		FEL
Kiyota 4A -35H-O367	450'	&	1559'
Kiyota 4B -35H-O367	450'	&	1549'
Kiyota 4C -35H-O367	450'	&	1539'
Kiyota 4D -35H-O367	450'	&	1529'
Kiyota 4E -35H-O367	450'	&	1519'
Kiyota 4F -35H-O367	450'	&	1509'
Kiyota 4G -35H-O367	451'	&	1499'
Kiyota 4H -35H-O367	451'	&	1489'
Kiyota 4I -35H-O367	451'	&	1479'
Kiyota 4J -35H-O367	451'	&	1469'
Kiyota 4K -35H-O367	451'	&	1459'
Kiyota 4L -35H-O367	451'	&	1449'

All footages from section lines of Section 35

Dear Mrs. Kiyota,

Encana Oil & Gas (USA) Inc. ("Encana") staked the above mentioned wells at a surface location as noted (see attached Well Location Certificate). 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 County of Weld). Rule 318A(I).c.(2) 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 being 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 wells are proposed to be located in order for the Director to approve the wells locations administratively."

The Kiyota 4A-35H-O367 through Kiyota 4L-35H-O367 wells were staked at locations 482' to 585' (Northwest) of the existing Kiyota 6-8-35 well, located inside the same drilling window.

As these locations were staked with your consent and approval, Encana respectfully requests your consent to an exception location for the above mentioned wells by waiver of the COGCC Rule 318A(I).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 (303)774-3999.

Respectfully,

Encana Oil & Gas (USA) Inc.



Barney Hammond
Field Land Negotiator

Kiyota Properties, LLC

July 15, 2014

Waiver of Rule 318A(I).c.(1)

THE UNDERSIGNED SURFACE OWNER HEREBY WAIVES RULE 318A(I).c.(1) AS IT APPLIES TO THE SURFACE LOCATION OF THE WELLS NOTED BELOW AND APPROVES THE SURFACE LOCATION AS INDICATED AND AS MEASURED FROM THE SECTION LINES OF SECTION 35, TOWNSHIP 3 NORTH, RANGE 67 WEST OF THE 6TH P.M. WELD COUNTY, COLORADO.

Well Name	FSL	&	FEL
Kiyota 4A -35H-O367	450'	&	1559'
Kiyota 4B -35H-O367	450'	&	1549'
Kiyota 4C -35H-O367	450'	&	1539'
Kiyota 4D -35H-O367	450'	&	1529'
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Kiyota 4J -35H-O367	451'	&	1469'
Kiyota 4K -35H-O367	451'	&	1459'
Kiyota 4L -35H-O367	451'	&	1449'

All footages from section lines of Section 35

By *Daisy Kiyota*
Daisy Kiyota

Encl.