

May 19, 2014

Marion and Cynthia Newnam
25844 County Road 16
Kennesburg, CO 80643

Re: Waiver of Rule 318A(l).c.(1)

<u>WELL NAMES</u>	<u>SURFACE LOCATION (FOOTAGES)</u>
Newnam 2A-32H-C264	460.0' FSL & 25.0' FWL
Newnam 2B-32H-C264	460.0' FSL & 250.0' FWL
Newnam 2C-32H-C264	460.0' FSL & 485.0' FWL
Newnam 2D-32H-C264	460.0' FSL & 700.0' FWL
Newnam 2E-32H-C264	460.0' FSL & 925.0' FWL
Newnam 2F-32H-C264	460.0' FSL & 1150.0' FWL
Newnam 2G-32H-C264	460.0' FSL & 1375.0' FWL
Newnam 2H-32H-C264	460.0' FSL & 1600.0' FWL
Newnam 2I-32H-C264	460.0' FSL & 1825.0' FWL
Newnam 2J-32H-C264	460.0' FSL & 2050.0' FWL
Newnam 2K-32H-C264	460.0' FSL & 2275.0' FWL
Newnam 2L-32H-C264	460.0' FSL & 2500.0' FWL

Township 2 North, Range 64 West, of the 6th PM.

All footages from section lines of Section 32:
Weld County, Colorado

Dear: Marion and Cynthia.

Encana Oil & Gas (USA) Inc. ("Encana") staked the above mentioned well 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(l), known as the Greater Wattenberg Area Special Well Location, Spacing and Unit Designation Rule (Except the County of Weld). Rule 318A(l).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 Newnam 2A-32H-C264 through Newnam 2L-32H-C264 wells were staked at locations 855' (north/east) of the existing Newnam 2-32 well 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 the above mentioned wells by waiver of the COGCC Rule 318A(l).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.



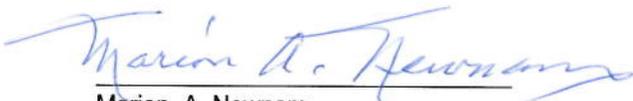
Barney Hammond
Field Land Negotiator

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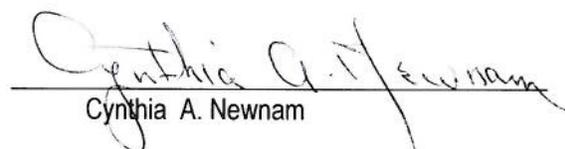
Marion and Cynthia Newnam
May 19, 2014
Waiver of Rule 318A(l).c.(1)

THE UNDERSIGNED SURFACE OWNER HEREBY WAIVES RULE 318A(l).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 32, TOWNSHIP 2 NORTH, RANGE 64 WEST WELD COUNTY, COLORADO.

<u>WELL NAMES</u>	<u>SURFACE LOCATION (FOOTAGES)</u>
Newnam 2A-32H-C264	460.0' FSL & 25.0' FWL
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Newnam 2L-32H-C264	460.0 FSL & 2500.0 FWL



Marion A. Newnam



Cynthia A. Newnam

May 14, 2014

Marion A. and Cynthia A. Newnam
25844 County Road 16
Keenesburg, CO 80643

RE: Waiver of Rule 318A.a.(1), (2),
Newnam well 2A-32H-C264 through Newnam well 2L-32H-C264
Surface Location, 307.6' South of North Section line and 1560.9 East of the West
Section line.
Section 32, T2N, R64W of the 6th P.M.
Weld County, Colorado

Dear Marion and Cynthia:

Encana Oil & Gas (USA) Inc. ("Encana") staked the Newnam wells at a surface location 307.6' feet from the North Section line and 1560.9' feet from the West line of Section 32, Township 2 North, Range 64 West (see attached survey plat). This well is being drilled under the rules and regulations of the Colorado Oil and Gas Conservation Commission's ("COGCC") Rule 318A known as the Greater Wattenberg Area Special Well Location, Spacing and Unit Designation Rule. This rule states that all boundary infill wells be drilled from the same surface locations as previously designated in Rule 318A.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 Range : 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:

- (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");
- (2) A square with sides eight hundred (800) feet in length, the center of which is the center of any governmental quarter section ("800 window").

The Newnam wells were staked at a location north west 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 Newnam 2A-32H-C264 through 2L-32H-C264 Wells by waiver of the COGCC Rule 318A.a.(1), (2),

Marion and Cynthia Newnam
Newnam well 2A-32H-C264 through Newnam well 2L-32H-C264.
Rule 318A.a.(1), (2) waiver
May 14, 2014
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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 303-774-3999.

Sincerely,

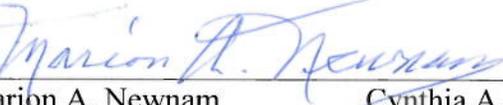
Encana Oil & Gas (USA) Inc.

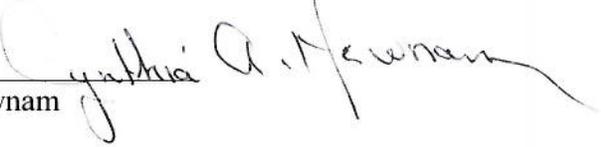


Barney Hammond
Field Land Negotiator

THE UNDERSIGNED SURFACE OWNER HEREBY WAIVES RULE 318A.a.(1), (2) AS IT APPLIES TO THE SURFACE LOCATION OF THE NEWNAM WELLS AND APPROVES THE SURFACE LOCATION OF 307.6 FEET FROM THE NORTH SECTION LINE AND 1560.0 FEET FROM THE WEST LINE OF SECTION 32, TOWNSHIP 2 NORTH, RANGE 64 WEST, WELD COUNTY, COLORADO.

SURFACE OWNER:

by 
Marion A. Newnam


Cynthia A. Newnam