

June 26, 2014

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

RE: Waiver of Rule 318A.a.(1), (2)  
Ruhl well 1G-32H-B264 through Ruhl well 1L-32H-B264  
Surface Location – Section 32, T2N, R64W Weld County, Colorado

Well Name	FNL		FEL
1G-32H-B264	307.0'	&	1528.0'
1H-32H-B264	307.0'	&	1518.0'
1I-32H-B264	307.0'	&	1508.0'
1J-32H-B264	307.0'	&	1498.0'
1K-32H-B264	307.0'	&	1488.0'
1L-32H-B264	307.0'	&	1478.0'

Dear Marion & Cynthia,

Encana Oil & Gas (USA) Inc. (“Encana”) staked the above wells at a surface location 307.0 feet from the North line and 1528.0 to 1478.0 feet from the East line of Section 32, Township 2 North, Range 64 West (see attached survey plat). These wells are 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 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:

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

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Keenesburg, CO 80643

Rule 318A.a.(1), (2) waiver

June 26, 2014

Page 2 of 2

The above referenced wells were staked at locations 212.0 feet 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 Ruhl wells 1A-32H-B264 through 1F-32H-B264 by waiver of the COGCC Rule 318A.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 (303)774-3999.

Sincerely,

Encana Oil & Gas (USA) Inc.

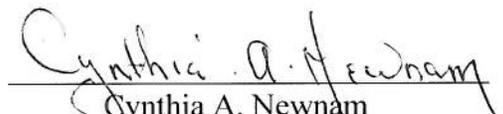


Barney Hammond  
Field Land Negotiator

THE UNDERSIGNED SURFACE OWNER HEREBY WAIVES RULE 318A.A.(1), (2) AS IT APPLIES TO THE SURFACE LOCATION OF THE WELLS RUHL 1A-32H-B264 THROUGH RUHL 1F-32H-B264 AND APPROVES THE SURFACE LOCATION OF 307.0 FEET FROM THE NORTH LINE AND 1528.0 FEET FROM THE EAST LINE OF SECTION 32, TOWNSHIP 2 NORTH, RANGE 64 WEST, WELD COUNTY, COLORADO.

SURFACE OWNER,

By   
Marion A. Newnam

  
Cynthia A. Newnam

Encl.

June 26, 2014

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

Re: Waiver of Rule 318A(I).c.(1)  
Ruhl 1G-32H-B264 through Ruhl 1L-32H-B264  
Surface Location – Section 32, T2N, R64W, Weld County, Colorado

<b>Well Name</b>	<b>FNL</b>	<b>&amp;</b>	<b>FEL</b>
1G-32H-B264	307.0'	&	1528.0'
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1K-32H-B264	307.0'	&	1488.0'
1L-32H-B264	307.0'	&	1478.0'

All footages from section lines of Section 32

Dear Marion & Cynthia,

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 Ruhl 1G-32H-B264 through 1L-32H-B264 wells were staked at locations 876' to 846' (Northwest) of the existing Ruhl #1 well, located outside 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

Marion A. and Cynthia A. Newnam

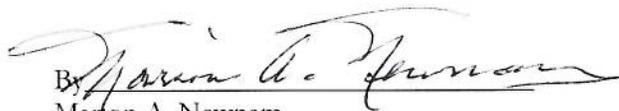
June 26, 2014

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 2, TOWNSHIP 1 NORTH, RANGE 65 WEST OF THE 6<sup>TH</sup> P.M. WELD COUNTY, COLORADO.

Well Name	FNL		FEL
1G-32H-B264	307.0'	&	1528.0'
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1K-32H-B264	307.0'	&	1488.0'
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All footages from section lines of Section 32

By   
Marion A. Newnam

  
Cynthia A. Newnam

Encl.

June 27, 2014

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

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Ruhl well 1G-32H-B264 through Ruhl well 1L-32H-B264  
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