

October 15, 2014

Shadetree Eagle LLC  
PO Box 726  
Fairfield, IA 52556-0013



RE: Waiver of Rule 318A.a.(1)  
Sullivan 4L-26H-P268  
Surface Location – Section 26, T2N, R68W, Weld County, Colorado

| Well Name            | FSL  | & | FEL  |
|----------------------|------|---|------|
| Sullivan 4L-26H-P268 | 566' | & | 459' |

To Whom It May Concern:

Encana Oil & Gas (USA) Inc. ("Encana") staked the Sullivan 4L-26H-P268 well at a surface location as noted above (see attached Well Location Certificate). 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) 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 Sullivan 4L-26H-P268 well was staked at a location east of the 400' window. As this location was staked with your consent and approval, Encana respectfully requests your consent to an exception location for the Sullivan 4L-26H-P268 well by waiver of the COGCC Rule 318A.a.(1). **These well locations are in accordance with the 2<sup>nd</sup> Amendment to the Compatible Development and Surface Use Agreement dated October 16, 2014 by and between Shadetree, Encana, and Kerr-McGee.**

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 303.774.3982.

Respectfully,

Encana Oil & Gas (USA) Inc.

A handwritten signature in blue ink, appearing to read "Bob Bresnahan", is written over a horizontal line.

Bob Bresnahan  
Land Negotiator

Encana Oil & Gas (USA) Inc.  
3601 Stagecoach Road  
Longmont, Colorado USA 80504  
Direct: 303.774.3982  
Bob.Bresnahan@encana.com  
www.encana.com

Shadetree Eagle LLC  
Sullivan 4L-26H-P268  
Rule 318A.a.(1)waiver  
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THE UNDERSIGNED SURFACE OWNER HEREBY WAIVES RULE 318A.a.(1) AS IT APPLIES TO THE SURFACE LOCATION OF THE BELOW MENTIONED WELL AND APPROVES THE SURFACE LOCATION AS INDICATED BELOW FROM THE SECTION LINE OF 26, TOWNSHIP 2 NORTH, RANGE 68 WEST, WELD COUNTY, COLORADO.

| Well Name            | FSL  | & | FEL  |
|----------------------|------|---|------|
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Shadetree Eagle LLC

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Encl: Well Location Certificate (1)