

MEMORANDUM OF SURFACE DAMAGE AND RELEASE AGREEMENT

Pursuant to the terms of that certain unrecorded Surface Damage and Release Agreement dated effective the 21 day of March 2012 between the undersigned, and subject to the conditions set forth therein, Encana Oil & Gas (USA) Inc. ("Encana") with an address at 370 17th Street, Suite 1700, Denver, Colorado 80202, and Robert Ruegge, (Owner) with an address at 1843 East 22nd Street, Cheyenne, Wyoming 82001, agreed to the location of Wells and payment for damages to the surface of Lands connected with the access to and the drilling, construction, completion, recompletion, reworking, re-entry, production, maintenance and operations of the Wells and associated pipeline, tank battery and other facilities or property of Encana associated with the Wells and located on the following Lands:

Township 1 North, Range 65 West, Weld County, Colorado
Section 4: SW1/4, And Part of the SE1/4 West of Beebe Canal Waste,

containing 180.00 acres, more or less.

This Memorandum of Surface Damage and Release Agreement is executed by Owner and Encana and placed of record in Weld County, Colorado for the purpose of placing all persons on notice of the existence of the Agreement.

In witness whereof this instrument is executed effective the 21 day of March, 2012.

ENCANA OIL & GAS (USA) INC.

By: 

Ricardo D. Gallegos, Attorney-In-Fact

OWNER: ROBERT RUEGGE

By: 

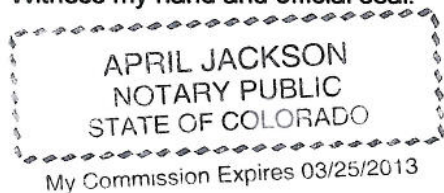
Robert Ruegge

ACKNOWLEDGMENTS

STATE OF COLORADO)
) ss.
CITY AND COUNTY OF DENVER)

The foregoing instrument was acknowledged before me this 13 day of April, 2012, by Ricardo D. Gallegos, Attorney-in-Fact of Encana Oil & Gas (USA) Inc., a Delaware corporation, on behalf of said corporation.

Witness my hand and official seal.

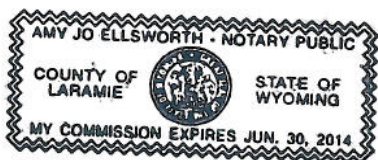


April Jackson
Notary Public
My Commission Expires: 3/25/13

STATE OF Wyoming)
) ss.
COUNTY OF Laramie)

The foregoing instrument was acknowledged before me this 21 day of March, 2012, by Robert Ruegge.

Witness my hand and official seal.



Amy Jo Ellsworth
Notary Public
My Commission Expires: June 30, 2014