



Colorado Oil & Gas Conservation Commission  
1120 Lincoln Street  
Suite 801  
Denver, Colorado 80203

September 19, 2018

Re: Compatible Development and Surface Use Agreement and 1<sup>st</sup> Amendment  
Between EnCana Oil & Gas, Foundation Energy Management and The Town of Firestone  
pertaining to the following lands:

Township 2 North, Range 67 West, 6<sup>th</sup> P.M.

Section 18: N/2

Weld County, Colorado

A. WHEREAS, on September 25, 2006, The Town of Firestone, FFA, Foundation Energy Management, LLC, and EnCana Oil & Gas (USA) Inc. entered into a Compatible Development and Surface Use Agreement ("Agreement") covering a portion of the N/2 of Section 18, Township 2 North, Range 67 West, Weld County, Colorado (the "Property"). The Agreement was recorded in the records of the Clerk and Recorder of Weld County, Colorado at Reception No. 3427732 on October 16, 2006;

B. WHEREAS, Crestone Peak Resources ("CPR") is the successor-in-interest to the mineral operating working interests of Foundation Energy Management, LLC and EnCana Oil & Gas (USA) Inc. in the Property and under the Compatible Development and Surface Use Agreement;

To Whom It May Concern:

This letter is to confirm that CPR and the Town of Firestone (collectively "Parties") are in discussions and negotiations regarding a 1<sup>st</sup> amendment to the existing Agreement that would allow CPR to use Property for the drilling, completion, and production of oil and gas wells as depicted on the attached Exhibit. The Parties are in general agreement as to the new location for the future wells and facilities and do not foresee any problems with reaching an agreement for some amendments. While the Parties continue their work towards this agreement as well as a plan to mitigate certain impacts, the Parties request that the COGCC proceed with evaluating and approving any and all APD's within the area on the Exhibit that are, or may be, submitted by CPR. Once an Amendment to the Agreement is agreed upon by the Parties CPR will provide a copy of the Amendment (or Memorandum of the amendment) to COGCC.

In an effort to expedite the permitting process with the COGCC and the Town of Firestone hereby submit the attached waivers. CPR acknowledges and agrees that if an amendment is not reached, CPR will retract any and all waivers as well as any permits that have been submitted to the COGCC pertaining to the wells and permits on the attached Exhibit.

Respectfully,  
CRESTONE PEAK RESOURCES

  
Name: Bob Bresnahan  
Title: Senior Surface Landman

TOWN OF FIRESTONE

  
Name: A.J. Krasner  
Title: INTERIM Town Mgr.



**CRESTONE PEAK**  
RESOURCES

## EXHIBIT

