

MEMORANDUM OF SURFACE AND DAMAGE AND RELEASE AGREEMENT

WHEREAS on the 27th day of July, 2004, Carol Rudolph, Personal Representative of the Estate of Richard E. Rudolph, Deceased, General Partner for Grass Mesa Limited, a Colorado Corporation ("Owners") entered into a Surface and Damage and Release Agreement with EnCana Oil & Gas (USA) Inc., ("Operator"), covering the below described lands in Garfield County, Colorado.

Township 7 South, Range 93 West, 6th P.M.

Section 8: S/2NW/4, NE/4SW/4

WHEREAS said agreement provides for, among other things, the right to enter upon and use the Owner's property for the purpose of erecting and maintaining well site location(s) for one (1) or more wells on Owner's land to maintain the well site location(s). Said agreement sets forth payment of specific amounts to cover damages resulting from the construction, use and maintenance of the well site location(s). Said agreement, with all of its terms, conditions, covenants and other provisions, is referred to and incorporated into this Memorandum for all purposes.

NOW THEREFORE this Memorandum is placed of record for the purpose of giving notice of the Surface and Damage Agreement.

Owners: Grass Mesa Limited

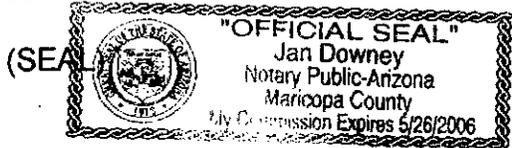
Operator: EnCana Oil & Gas (USA) Inc.

BY: Carol Rudolph, Personal Representative of the Estate of Richard E. Rudolph, Deceased, General Partner for Grass Mesa Limited

By: Joel S. Fox, Attorney-In-Fact

State of Arizona )
County of Maricopa ) §

On this 9th day of Sept, 2004, before me personally appeared Carol Rudolph, Personal Representative of the Estate of Richard E. Rudolph, Deceased, General Partner for Grass Mesa Limited, a Colorado Corporation, known to me to be the person described in and who executed the foregoing instrument, and who acknowledged to me that they executed the same.



My commission expires: 5-26-06

Notary Public signature: Jan Downey

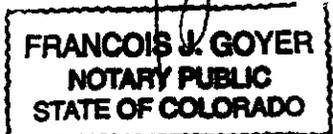
State of Colorado )
County of Denver ) §

On this 10th day of September, 2004, before me personally appeared, Joel S. Fox, Attorney-In-Fact for EnCana Oil & Gas (USA) Inc., known to me to be the person described in and who executed the foregoing instrument, and who acknowledged to me that he executed the same.

(SEAL) My commission expires: 10-01-04

Notary signature: Francois J. Goyer

Return to: EnCana Oil & Gas (USA) Inc. Attn: Land Dept 792 Buckhorn Drive Rifle Co 81650



Jamie

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