



**EnCana Oil & Gas (USA) Inc.**

370 17th Street  
Suite 1700  
Denver, CO 80202

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www.encana.com

October 14, 2008

Bill Barrett Corporation  
Attn: Bill Mitchell  
1099 18<sup>th</sup> Street, Suite 2300  
Denver, CO 80202

DEC 16 2008

Re: Waiver of Rule 318  
EnCana- Sherowski 3-16  
Section 3-T7S-R92W  
EnCana- Sherowski 2-13C  
Section 2-T7S-R92W  
Garfield County, Colorado

Dear Bill:

EnCana Oil & Gas (USA) Inc. ("EnCana") is in the process of permitting the above captioned wells within the Hunter Mesa Federal Unit. Rule 318 of the rules and regulations of the Colorado Oil and Gas Conservation Commission requires that wells drilled to a depth in excess of 2,500 feet be located no less than 600 feet from the boundary of a Federal Unit. The EnCana- Sherowski 3-16 will be drilled to a depth below 2,500 feet into the Williams Fork formation to bottom hole location approximately 168 feet from the uncommitted tract or 660 feet from the South line and 660 feet from the East line of Section 3. The EnCana- Sherowski 2-13C will also be drilled to a depth below 2,500 feet into the Williams Fork Formation to a bottom hole location 327 feet from the uncommitted tract or approximately 100 feet from the South line and 600 feet from the West line of Section 2.

Rule 318 of the rules and regulations of the Colorado Oil and Gas Conservation Commission also requires that wells drilled in excess of 2,500 feet cannot be closer than 1,200 feet to other wells that would produce from the same formation. The bottom hole location of the proposed EnCana-Sherowski 3-16 well is less than 1,200 feet (or approximately 625 feet) from the bottom hole location of the existing Last Dance 43-A well, located within the uncommitted tract and the EnCana- Sherowski 2-13C is less than 1,200 feet (or approximately 1197 feet) from the bottom hole location of the existing Last Dance 12-2 well also located within the uncommitted tract.

Bill Barrett Corporation owns a 50% working interest in the uncommitted tract.

The purpose of this letter is to request your consent to waive Rule 318 insofar as it pertains to the aforementioned setback requirement for the EnCana-Sherowski 3-16 and EnCana- Sherowski 2-13C wells and to allow for the drilling of EnCana- Sherowski 3-16 well less than 1,200 feet from the

existing Last Dance 43-A well and EnCana- Sherowski 2-13C less than 1,200 feet from the existing Last Dance 12-2. Below, for your signature, is a form giving your consent to waive these requirements. Please sign, date and return one copy of this letter.

If you object to these well locations, please respond in writing to the State of Colorado Oil and Gas Conservation Commission within thirty days of receiving this letter. Please address your letter to COGCC Permitting, 1120 Lincoln Street, Suite 801, Denver, CO 80203.

If written consent is not obtained, EnCana Oil & Gas (USA) Inc. will apply to the Commission for a variance under Colorado Oil and Gas Conservation Commission Rule 502.b.

Sincerely,

**Encana Oil & Gas (USA) Inc.**



Marian M. Learned  
Land Negotiator  
Telephone 720-876-3575

CONSENT

I hereby waive Colorado Oil and Gas Conservation Commission Rule 318 as it pertains to the requirement that wells be drilled no closer than 600 feet from the boundary of a Federal Unit and consent to the drilling of the EnCana-Sherowski 2-13C well and EnCana-Sherowski 3-16 well at locations closer than 600 feet to the boundaries of the Hunter Mesa Federal Unit. I also hereby waive Rule 318 as it pertains to the requirement that wells drilled in excess of 2,500 feet cannot be closer than 1,200 feet to other wells and consent to the drilling of the EnCana-Sherowski 3-16 less than 1,200 feet from the existing Last Dance 43-A well the and EnCana- Sherowski 2-13C less than 1,200 feet from the existing Last Dance 12-2. The minimum footage encroachment to spacing unit boundaries and lease boundaries shall not be closer than the minimum distances referenced in this letter.

Bill Barrett Corporation

By: William C. McDaniel

Dated: 10-23-08

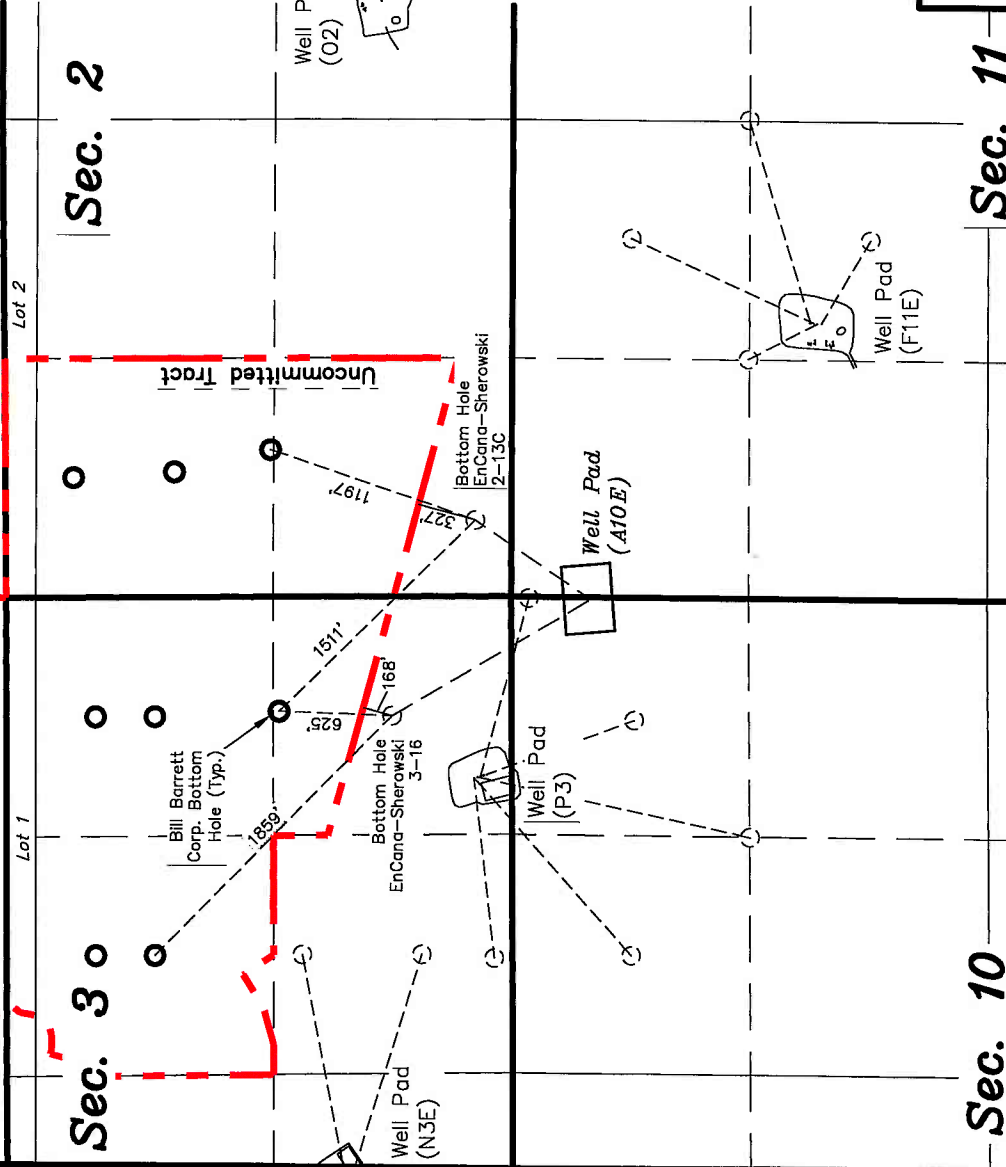
*SPC 10/27/08*

**T7S, R92W, 6th P.M.**

**ENCANA OIL & GAS (USA) INC**

**UNCOMMITTED TRACT PLAT**

**WELL PAD (A10E)**



NOTE:  
THE BILL BARRETT CORP. BOTTOM HOLE  
WERE PLOTTED HEREON USING FOOTAGES  
AS REPORTED ON THE COGCC WEB SITE  
(OIL-GAS.STATE.CO.US) AND/OR AS  
PROVIDED BY ENCANA OIL & GAS (U.S.A)  
INC.

**TRI STATE LAND SURVEYING & CONSULTING**  
180 NORTH VERNAL AVE. - VERNAL, UTAH 84078  
(435) 781-2501

DATE SURVEYED: 10-20-06	SURVEYED BY: C.D.S.	SHEET <b>1</b> OF 1
DATE DRAWN: 09-09-08	DRAWN BY: R.V.C.	
REVISED: 10-13-08 - M.W.	SCALE: 1" = 1000'	