

SURFACE DAMAGE AND RELEASE AGREEMENT

This Surface Damage and Release Agreement (this "Agreement") is made and entered into this 4 day of May, 2004, by and between Richard M. Benjamin and Shirley J. Benjamin, husband and wife, 10444 CR 320, Rifle, Colorado 81650 ("Owner") and ENCANA OIL & GAS (USA) INC ("EnCana")

Whereas, EnCana or an affiliate has the right to drill one or more oil and gas wells (the "Well") on the Lands described below

TOWNSHIP 6 SOUTH, RANGE 93 WEST, 6TH P M

Section 28 NW/4SW/4

Whereas, Owner and EnCana wish to memorialize their agreement concerning the payment for damages to the surface of the Lands in connection with the drilling, construction, completion, recompletion, reworking, re-entry, production, maintenance and operation of the Well(s) and all pipelines, tank batteries and other facilities or property of EnCana or its affiliates associated with the Well(s) and located on the Lands

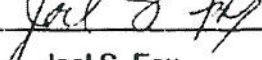
Therefore, for and in consideration of the covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Owner and EnCana agree as follows

- 1 Prior to the commencement of drilling operations for the Well, EnCana shall pay Owner the ~~sum of \$500 per net surface acre disturbed~~ ("Damage Amount") If EnCana elects to increase the size of the well pad to accommodate additional wells, EnCana shall pay Owner an ~~additional \$1500 per net surface acre disturbed~~ prior to conducting operations to extend the well pad Such payment shall constitute payment in full by EnCana and its affiliates for all normal damages, including, but not limited to, damages to growing crops, associated with the drilling, construction, completion, recompletion, reworking, re-entry, production, operation and maintenance of the Well(s). Normal damages include, but are not limited to, reasonable and customary ingress, egress, rights-of-way, construction of all access roads, preparation and use of the drillsite area, preparation and use of reserve pits, and construction, installation and maintenance of production equipment and facilities such as flowlines, gas pipelines, separators, tank batteries and other equipment or facilities necessary or convenient for the production, transportation and sale of oil and/or gas therefrom
- 2 If by reason of EnCana's operations, there is damage to personal property located on the Lands or there is damage to the surface of the Lands caused by the negligence of EnCana or an unreasonable use of the surface of the Lands by EnCana that is not associated with reasonable and normal drilling, completion, recompletion, reworking, re-entry, production, maintenance and operation of the Well, such as damage to structures, fences, culverts and cement ditches, such damage shall be repaired or replaced by EnCana or EnCana shall promptly pay Owner for such damage

- 3 Owner warrants that he is the owner of the entire surface subject to this Agreement and that no one who is not a party to this Agreement is entitled to payment for normal damage to the surface of the Lands for which payment has been made pursuant to paragraph numbered 1 above
- 4 Except as provided in paragraph numbered 2 above for cases of unreasonable surface use and/or negligence by EnCana, Owner, for itself and its successors and assigns, does hereby, in consideration of the Damage Amount, release, relinquish and discharge EnCana, its affiliates, successors and assigns from all claims, demands, damages and causes of action that Owner may have be reason of the drilling of the Well(s) and all other damage or injury to the Lands caused by the drilling, completion, recompletion, reworking, re-entry, production, operation and maintenance of the Well(s), and Owner accepts the Damage Amount as full compensation therefor
- 5 Owner hereby agrees that by its payment of the Damage Amount, EnCana has fully complied with the applicable governmental regulations and statutes, if any, relating to the settlement of the damages contemplated herein
- 6 This Agreement shall be binding upon and shall inure to the benefit of the parties and their respective heirs, representatives, successors, agents, and assigns.

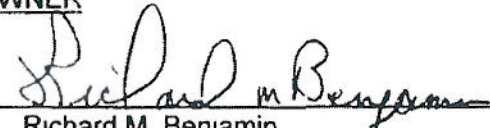

IN WITNESS WHEREOF, the parties have set their hands on the day and year first written above

ENCANA OIL & GAS (USA) INC.

By 
Name: Joel S. Fox
Title: Attorney-In-Fact *2-1-04*

ENCANA OIL & GAS (USA) INC
950 17th Street, Suite 2600
Denver, Colorado 80202
Attention William R. Givan
(303) 623-2300

OWNER


Richard M Benjamin

Shirley J Benjamin

10444 CR 320
Rifle CO 81650
970-625-5553

ACKNOWLEDGEMENTS

STATE OF COLORADO §

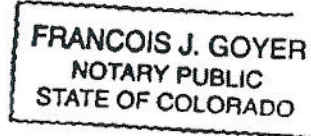
CITY AND COUNTY OF DENVER §

On this ^{18th}~~14th~~ day of May, 2004, before me personally appeared Joel S. Fox, known to me to be the Attorney In-Fact of ENCANA Oil & Gas (USA) Inc. and that he executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein set forth

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written

My Commission Expires 10-01-05

Francois J. Goyer
Notary Public, Francois J. Goyer
Address: Denver, CO



STATE OF COLORADO §

COUNTY OF GARFIELD §

The foregoing instrument was acknowledged by Richard M Benjamin and Shirley J Benjamin, husband and wife, before me on this 4th day of May, 2004

My Commission Expires 2/22/2008



My Commission Expires 02/22/2008

Cindy Winschell
Notary Public, Cindy Winschell
Address 325 Railroad Ave. Rifle CO 81650