





March 7, 2011

LR Investments, LLC  
Attn: Blake Carlson  
1094 West 125<sup>th</sup> Drive  
Westminster, CO 80234

RE: Request of Waiver of Rule 603.a - Statewide Setbacks  
Frederiksen 1A-28H Well  
Surface Location – 2250' FNL & 257' FEL (SE/4NE/4)  
Section 28, T3N, R68W  
Weld County, Colorado

Dear Mr. Carlson:

Encana Oil & Gas (USA) Inc. ("Encana") has staked the Frederiksen 1A-28H well at a surface location 2250 feet from the north line and 257 feet from the east line of Section 28, Township 3 North, Range 68 West (see attached survey plat). This well is being drilled under the rules and regulations of the Colorado Oil and Gas Conservation Commission's ("COGCC") Rule 603.a. Statewide Setbacks Rule. This rule states that a well shall be a minimum distance of one hundred fifty (150) feet from a surface property line.

The Frederiksen 1A-28H well was staked at a location less than 150' from existing Lot lines in Liberty Ranch 2<sup>nd</sup> Filing (see attached plat). As surface owner of this property, you have advised Encana of your intent to vacate the existing Lots and Streets within 250' of this surface location. Encana hereby respectfully requests your consent to an exception location for this well by waiver of the COGCC Rule 603.a (2).

If this meets with your approval, please sign and date a copy of this letter and return to the undersigned.

Very truly yours,

ENCANA OIL & GAS (USA) INC.

Sheila A. Frazier, CPL  
Land Negotiator – DJ Basin

I, the undersigned surface owner hereby waive COGCC rule 603.a.(2) as it applies to the surface location of the Frederiksen 1A-28H Well and approve the surface location as stated above.

LR INVESTMENTS, LLC

By:

Blake Carlson

Title: MR.

Date: 3-15-11

Encana Oil & Gas (USA) Inc.  
370 17th Street, Suite 1700  
Denver, Colorado USA 80202  
t 303 623.2300  
www.encana.com