



February 24, 2011

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

Via Email blake@carlsonlanddevelopment.com

Re: Notice of Operations –Frederiksen 1A-28H
Township 3North, Range 68 West
Section 28: SE/4NE/4
Weld County, CO

Dear Mr. Carlson:

In accordance with the requirements of Rules 305.e.(1).A. and 305.e.(1).B. of the Colorado Oil and Gas Conservation Commission ("COGCC"), this letter serves as advanced notice by EnCana Oil & Gas (USA) Inc. ("EnCana") of its intention to conduct drilling operations on the captioned surface locations. EnCana's operations are estimated to begin in the 2nd quarter of 2011 pending receipt of required permits, approval of title and drilling rig availability.

We will be contacting you within the next several days to schedule a consultation to discuss the location of the well sites, access roads, production facilities and other related matters which we will incorporate in a Surface Use Agreement. As this location is an out of window location, we will provide waiver letters for your execution upon final survey (please see the enclosed aerial plat). Enclosed for your review is an informational copy of COGCC's notification, consultation and reclamation rules regarding oil and gas operations.

Also enclosed for your review is a copy of a policy recently adopted by the COGCC addressing on-site inspection requests including a form for requesting such an inspection.

As the surface owner, it is your responsibility to notify any affected tenant farmer, lessee or other party that may own or have an interest in any crops or surface improvements that could be affected by these proposed operations.

Should you have concerns regarding the surface location or if you have questions about this notice, you may reach the undersigned at (720) 876.3440.

Very truly yours,

ENCANA OIL & GAS (USA) INC.

A handwritten signature in black ink, appearing to read "Sheila Frazier".

Sheila A. Frazier, CPL
Land Negotiator

Encana Oil & Gas (USA) Inc.
370 17th Street, Suite 1700
Denver, Colorado USA 80202
t 303.623.2300
www.encana.com

OWNER RESPONSE LETTER
(Rule 306 Consultation Requirement)

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TO BE COMPLETED BY THE SURFACE OWNER:

The surface owner and/or assigned representative, desires an on-site consultation with an EnCana Representative with respect to the proposed drilling of the referenced well.

___ Yes

___ No

Signed: _____

Print Name: _____

Phone: _____

Signed and dated this ___ day of _____, 20__.

Designated Representative or Agent *(optional)*

Name: _____

Address: _____

Phone: _____