

**MEMORANDUM OF MASTER SURFACE DAMAGE AGREEMENT**

Pursuant to the terms of that certain unrecorded Master Surface Damage Agreement dated effective the 26th day of January 2005 and the Amendment to Master Surface Damage Agreement dated effective the 2 day of October, 2007 between the undersigned, and subject to the conditions set forth therein, EnCana Oil & Gas (USA) Inc. ("EnCana") with an address at 370 17th Street, Suite 1700, Denver, Colorado 80202, and Cannon Land Company ("Owner") with an address at 3575 Cherry Creek North Drive, 2<sup>nd</sup> Floor, Denver, CO 80209, agreed to the payment for damages to the surface of Land connected with the access to and the drilling, construction, completion, recompletion, reworking, re-entry, production, maintenance and operations of wells and associated pipelines, tank batteries and other facilities or property of EnCana associated with the wells and located on the following Lands:

Township 2 North, Range 66 West, 6<sup>th</sup> P.M.

Section 2: All

Section 4: S/2

Section 8: NE/4

Section 9: N/2

Section 10: N/2NW/4, E/2

Section 17: N/2

Section 19: The north 40 rods of the W/2NE/4

This Memorandum of Surface Damage and Release Agreement is executed by Owner and EnCana and placed of record in Weld County, Colorado for the purpose of placing all persons on notice of the existence of the Agreement.

In witness whereof this instrument is executed effective the 2 day of October 2007.

ENCANA OIL & GAS (USA) INC.

By: David G. Hill  
David G. Hill, Attorney-in-Fact

CANNON LAND COMPANY

Erin Spaul

ACKNOWLEDGMENTS