



June 15, 2011

Anderson South Farm LLC  
6876 County Road 5  
Erie, Colorado 80516  
Attn: Mr. James Anderson

Re: Waiver of Rule 318A.c.(1)  
Anderson 21-32 and Anderson 22-32  
Surface Location – 510' FNL, 1975' FWL – Anderson 21-32  
Surface Location – 510' FNL, 1985' FWL – Anderson 22-32  
Township 2 North, Range 68 West  
Section 32: NE/4NW/4  
Weld County, Colorado

Dear Mr. Anderson:

Encana Oil & Gas (USA) Inc. ("Encana") staked the Anderson 21-32 well at a surface location 510 feet from the north line and 1975 feet from the west line and the Anderson 22-32 at a surface location of 510 feet from the north line and 1985 feet from the west line, Section 32, Township 2 North, Range 68 West (see attached survey plat). Both wells are being drilled under the rules and regulations of the Colorado Oil and Gas Conservation Commission's (COGCC") Rule 318A, known as the Greater Wattenberg Area Special Well Location, Spacing and Unit Designation Rule. Rule 318A.c.(2) states:

"When the operator is requesting a surface well location greater than fifty (50) feet from a well (unless safety or mechanical considerations of the well to be twinned or topographical or surface constraints justify a location greater than fifty (50) feet), the operator shall provide a consent to the exception signed by the surface owner on which the well is proposed to be located in order for the Director to approve the well location administratively."

The Anderson 21-32 well was staked at a location 166 feet from the existing Anderson Trust C Unit 2 and the Anderson 22-32 well was staked at a location 171 feet from the existing Anderson Trust C Unit 2 located in the same drilling window. As this location was staked with your consent and approval, Encana respectfully requests your consent to an exception location for the Anderson 21-32 and 22-32 by waiver of the COGCC Rule 318A.c.(1).

If this meets with your approval, please sign and date both originals of the letter, keeping one for your files and returning one to the undersigned.

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

Thank you for your time and consideration in this matter. If you have any questions or comments, please contact me at 720-876-5026.

Sincerely,



Emily Cozyris  
Land Negotiator

THE UNDERSIGNED SURFACE OWNER HEREBY WAIVES RULE 318Ac.(1) AS IT APPLIES TO THE SURFACE LOCATION OF THE ANDERSON 21-32 WELL AND APPROVES THE SURFACE LOCATION OF 510 FEET FROM THE NORTH LINE AND 1975 FEET FROM THE WEST LINE, SECTION 32, TOWNSHIP 2 NORTH, RANGE 68 WEST, WELD COUNTY, COLORADO

THE UNDERSIGNED SURFACE OWNER HEREBY WAIVES RULE 318Ac.(1) AS IT APPLIES TO THE SURFACE LOCATION OF THE ANDERSON 22-32 WELL AND APPROVES THE SURFACE LOCATION OF 510 FEET FROM THE NORTH LINE AND 1985 FEET FROM THE WEST LINE, SECTION 32, TOWNSHIP 2 NORTH, RANGE 68 WEST, WELD COUNTY, COLORADO

Anderson South Farm, LLC

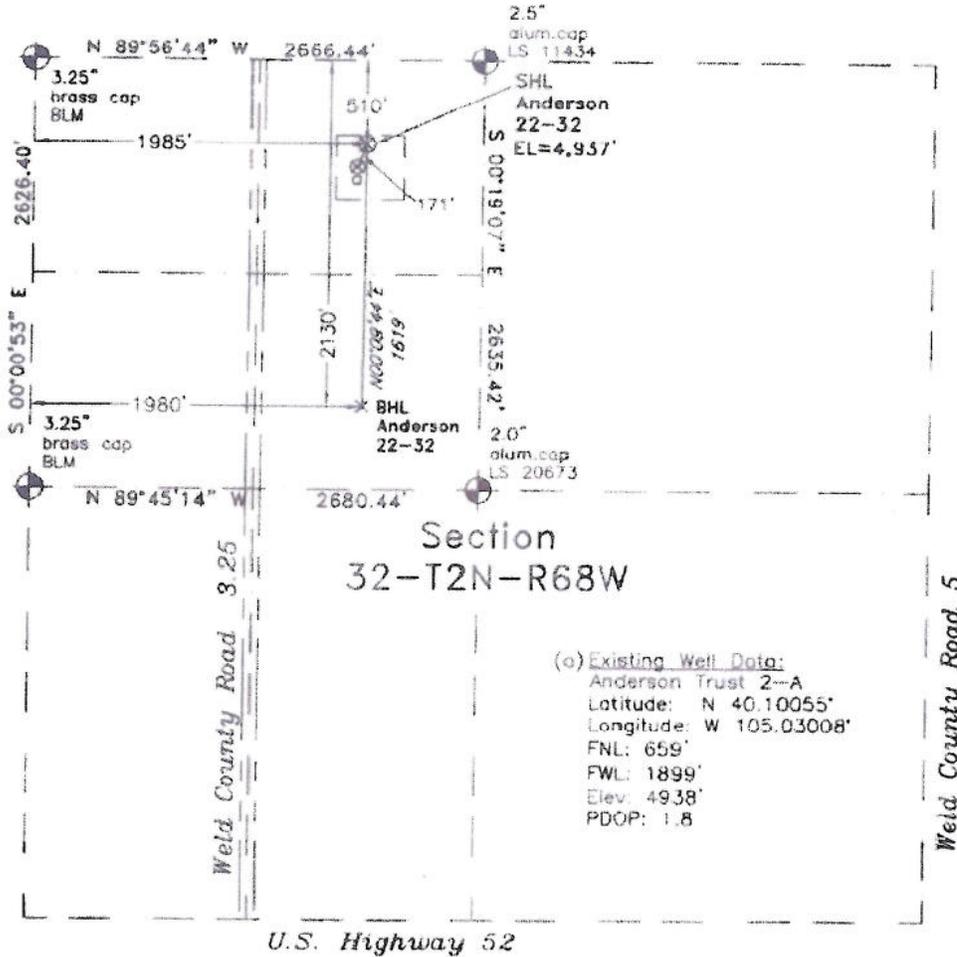


James E. Anderson, Manager

PLS Group, LLC  
 109 Coronado Ct. - Bldg 7  
 Fort Collins, Colorado 80525

# WELL LOCATION CERTIFICATE

THIS MAP DOES NOT  
 REPRESENT A BOUNDARY SURVEY



(a) Existing Well Data:  
 Anderson Trust 2--A  
 Latitude: N 40.10055°  
 Longitude: W 105.03008°  
 FNL: 659'  
 FWL: 1899'  
 Elev: 4938'  
 PDOP: 1.8

LEGEND  
 - - - found survey monument  
 - - - improved road  
 - - - calculated dimension  
 ⊕ ⊗

In accordance with a request from Doug Pearlman of EnCana Oil & Gas (USA) Inc., PLS Group, LLC has determined the location of the Anderson 22-32 well site to be SHL: 510' FNL and 1985' FWL, (BHL: 2130' FNL and 1980' FWL) as measured at ninety (90) degrees from the section lines of Section 32, Township 2 North, Range 68 West of the 6th Principal Meridian, Weld County, Colorado.

**Proposed Surface Hole Data:**

Latitude: N 40.10095° BHL(40.09651°)  
 Longitude: W 105.02977° BHL(105.02982°)  
 Nearest: Building 314' southwest Above Ground Utility 705' west  
 Public Road 654' west Railroad 13,000' southeast  
 Property Line 650' west  
 PDOP: 1.2

**Notes:**

- 1) Bearings and distances based on NAD 83 Colorado North State Plane Coordinates using RTK GPS observations taken 11/19/10 by operator Craig Burke.
- 2) Conversion factor to ground (1.000274294).
- 3) Elevations based on NAVD 88 GPS heights and Geoid 2003 corrections.
- 4) See improvement map for visible improvements within 400 feet of pad site.
- 5) The location falls in an agricultural field.

**NOTICE:** According to Colorado law you MUST commence any legal action based upon any defect in this W.L.C. within 3 years after you first discover such defect. In no event may any action based upon any defect in this W.L.C. be commenced more than 10 years from this said date of the certification shown hereon.

I hereby certify that this Well Location Certificate was prepared by me or under my direct supervision on 11/19/10 for and on behalf of EnCana Oil & Gas (USA) Inc. as a Land Survey Plat or an improvement survey Plat, and that it is not to be relied upon for establishment of fences, buildings, or other improvements.

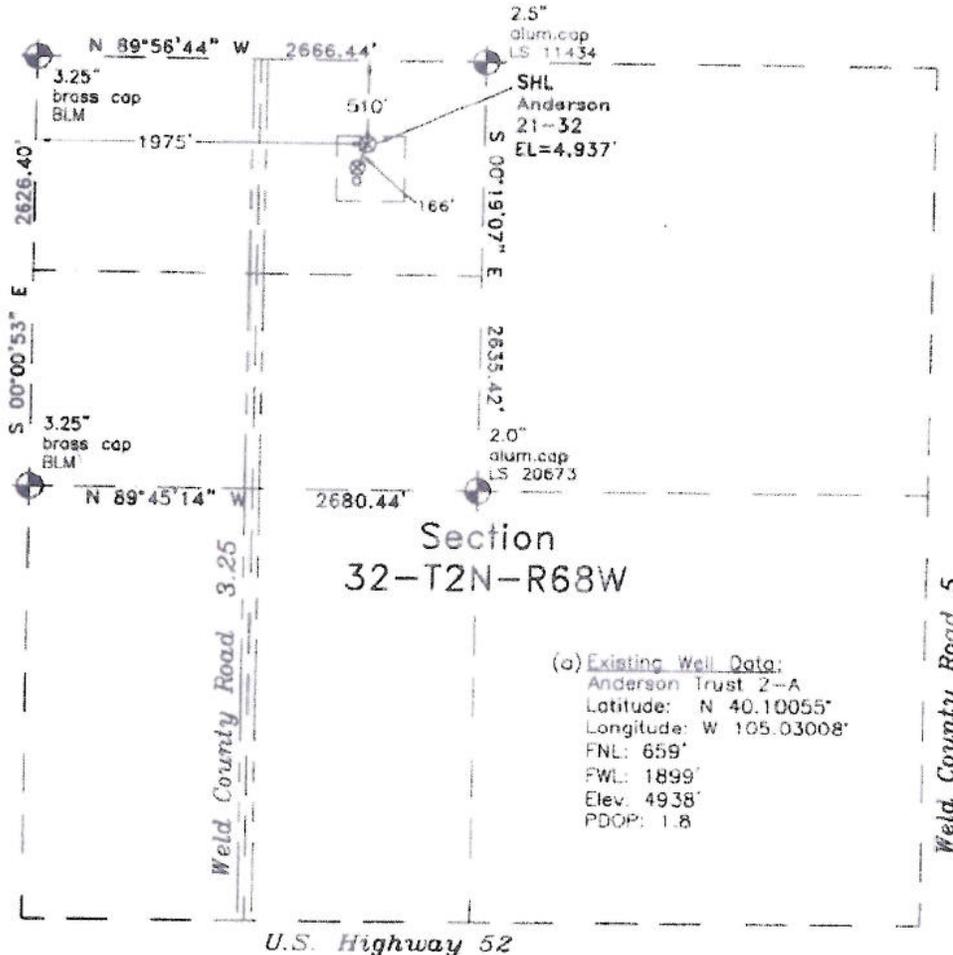


John Robert McGehee PLS#38219  
 Well: Anderson 22-32

PLS Group, LLC  
 109 Coronado Ct. - Bldg 7  
 Fort Collins, Colorado 80525

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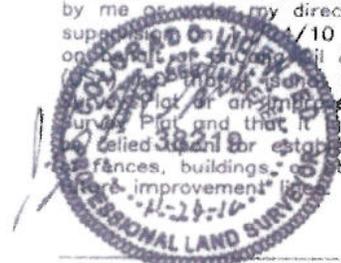
LEGEND  
 - found survey monument  
 - improved road  
 - calculated dimension

In accordance with a request from Doug Pearlman of EnCana Oil & Gas (USA) Inc., PLS Group, LLC has determined the location of the Anderson 21-32 well site to be SHL: 510' FNL and 1975' FWL as measured at ninety (90) degrees from the section lines of Section 32, Township 2 North, Range 68 West of the 6th Principal Meridian, Weld County, Colorado.

Proposed Surface Hole Data:  
 Latitude: N 40.10095°  
 Longitude: W 105.02980°  
 Nearest: Building 314' southwest  
 Public Road 644' west  
 Property Line 640' west  
 PDOP: 1.2

Above Ground Utility 695' west  
 Railroad 13,000' southeast

I hereby certify that this Well Location Certificate was prepared by me or under my direct supervision on 11/19/10 for and on behalf of PLS Group, LLC a Land Surveyor and that it is not to be relied upon for establishment of fences, buildings, or other improvements.



John Robert McGehee PLS#38219  
 Well: Anderson 21-32

- Notes:
- 1) Bearings and distances based on NAD 83 Colorado North State Plane Coordinates using RTK GPS observations taken 11/19/10 by operator Craig Burke.
  - 2) Conversion factor to ground (1.000274294).
  - 3) Elevations based on NAVD 88 GPS heights and Geoid 2003 corrections.
  - 4) See improvement map for visible improvements within 400 feet of pad site.
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