



July 26, 2012

Mr. Thom Kerr, Acting Director  
Colorado Oil & Gas Conservation Commission  
1120 Lincoln Street, Suite 801  
Denver, CO 80203

RE: Exception Location Request to Rules 318.a  
Encana Oil & Gas (USA), Inc.  
NWNW of Section 17, T9S, R98W  
WhF DHS1C-19 D17 998  
WhF DHS7C-20 D17 998  
WhF DHS5C-20 D17 998  
WhF DHS3C-20 D17 998  
Mesa, County

Dear Mr. Kerr:

Pursuant to COGCC Rule 318.a., Encana Oil & Gas (USA) Inc. ("Encana") hereby requests administrative approval for an exception location as requested in COGCC Rule 318.a which sets forth that a well to be drilled two thousand five hundred (2,500) feet or greater shall be located not less than six hundred (600) feet from any lease line.

The above referenced wells will be drilled horizontally and the bottom hole locations for all the wells listed are closer than 600 feet from lease COC66211 in section 29 and 30. Encana has rights to extract minerals from this lease and the BLM has no objections to the drilling of these wells. Encana has proposed a unit in this area and approval is anticipated in fall 2012. Encana has chosen these locations for geologic reasons.

If you have any questions or need additional information, please contact me at (720) 876-3070.

Sincerely,

A handwritten signature in blue ink that reads "Heather Mitchell".

Heather Mitchell  
Regulatory Analyst

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