

January 2, 2013

Norton A. Billings
Sara A. Billings
1945 Spruce Avenue
Longmont, CO 80501



RE: Waiver of Rule 318A(I).c.(1)
Well Name and Surface Location
Billings 22-18: 254' From North Line and 445' From West Line
Section 18, T 3 N, R 68 W, of the 6th P.M.
Weld County, Colorado

Dear Norton and Sara Billings:

Encana Oil & Gas (USA) Inc. ("Encana") staked the above mentioned well at a surface location as identified above (see attached Well Location Certificate). These wells are being drilled under the rules and regulations of the Colorado Oil and Gas Conservation Commission's ("COGCC") Rule 318A(I) known as the Greater Wattenberg Area Special Well Location, Spacing and Unit Designation Rule (Except the City and County of Broomfield). Rule 318A(I).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 Billings 22-18 well was staked at a location approximately 1000' north of the proposed Billings 2A-18H well associated with 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 Billings 22-18 well by waiver of the COGCC Rule 318A(I).c (1).

If this meets with your approval, please sign and date both originals of this letter, keeping one for your files and returning one to the undersigned. Thank you for your time and consideration in this matter. If you have any questions or comments, please call the undersigned at (720) 369-0432.

Respectfully,

Encana Oil & Gas (USA) Inc.

A handwritten signature in blue ink, appearing to read "Bob Bresnahan", is written over a horizontal line.

Bob Bresnahan
Field Land Negotiator
Encana Oil & Gas (USA) Inc.

Encana Oil & Gas (USA) Inc.

3601 Stagecoach Road
Longmont, Colorado USA 80504

Cell: 720-369-0432

Bob.Bresnahan@encana.com
www.encana.com

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THE UNDERSIGNED SURFACE OWNERS HEREBY WAIVES RULE 318A(I).c.(1) AS IT APPLIES TO THE SURFACE LOCATION OF THE WELL IDENTIFIED BELOW AND APPROVES THE SURFACE LOCATION AS INDICATED FROM SECTION 18, TOWNSHIP 3 NORTH, RANGE 68 WEST, WELD COUNTY, COLORADO.

WELL NAME SURFACE LOCATION

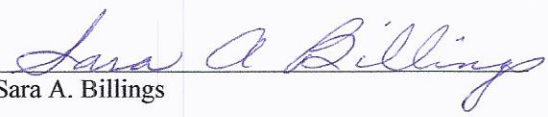
BILLINGS 22-18: 254' FROM NORTH LINE AND 445' FROM WEST LINE

NORTON A. BILLINGS



Norton A. Billings

SARA A. BILLINGS



Sara A. Billings

Encl.