



January 24, 2013

Colorado Oil & Gas Conservation Commission
The Chancery Building
1120 Lincoln Street, Suite 801
Denver, CO 80203

RE: Billings 3B-18H
Township 3 North, Range 68 West, 6th P.M.
Section 18: 1609' FSL, 762' FWL (Surface Location)
Section 17: 2150' FSL, 2180' FWL (Bottom Hole Location)
Weld County, Colorado

Dear Director:

Encana Oil & Gas (USA) Inc. ("Encana") is planning to drill the captioned boundary well in accordance with the provisions of COGCC Rule 318A.e.

Encana's proposed wellbore spacing unit consists of S/2 Sec 18 & SW/4 Sec 17, creating a 480 -acre wellbore spacing unit for the proposed formation(s).

Encana is not the only owner within the proposed spacing unit, and as such provided notice to the remaining owner(s) within said proposed spacing unit as required under COGCC Rule 318A.e(6). The required thirty (30) day notice period has elapsed absent the receipt by Encana of an objection to said proposal by the owner(s) within the proposed spacing unit for this well.

Enclosed is a copy of the map illustrating the proposed wellbore spacing unit to assist you in your review and approval of Encana's proposed APD for the captioned well.

Thank you for your time and attention to this matter. Encana respectfully requests that the COGCC review the enclosed information and approve the Application for Permit to Drill the captioned well.

Sincerely,

A handwritten signature in black ink, appearing to read "Erin Hochstetler".

Erin Hochstetler
Permitting Technician

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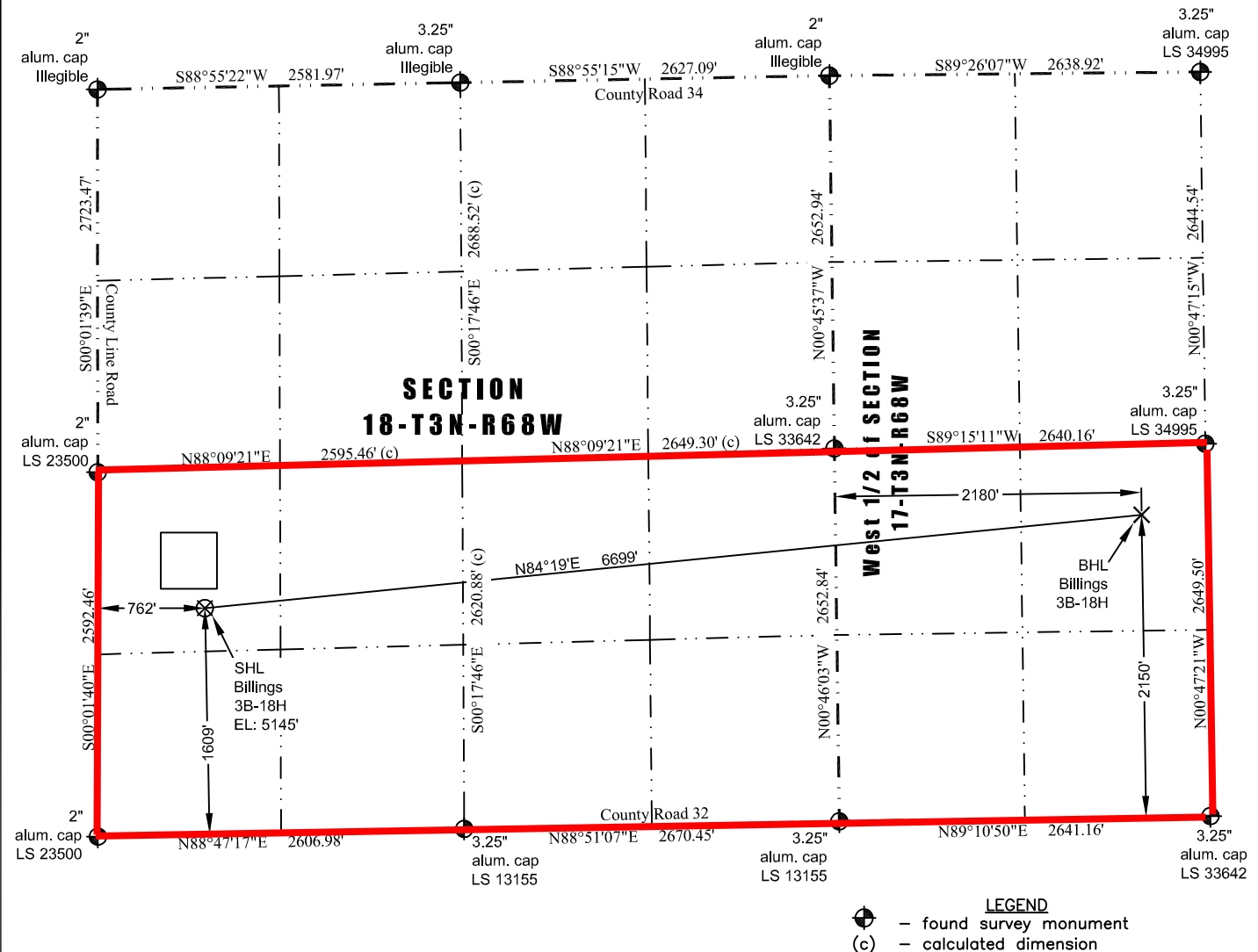
Proposed Spacing Unit Map

JR Land Surveying, LLC

8114 Northstar Drive
Windsor, Colorado 80528
P. 970-576-4641

WELL LOCATION CERTIFICATE

THIS MAP DOES NOT REPRESENT A BOUNDARY SURVEY



In accordance with a request from Jay Knutson of EnCana Oil & Gas (USA) Inc., JR Land Surveying, LLC has determined the location of the **Billings 3B-18H** well site to be SHL: 1609' FSL and 762' FWL, (BHL: 2150' FSL and 2180' FWL) as measured at ninety (90) degrees from the section lines of Section 18 and Section 17, Township 3 North, Range 68 West, 6th Principal Meridian, County of Weld, CO.

Proposed Surface Hole Data:

Latitude: N 40.22264°, (BHL: 40.22437°)
Longitude: W 105.05242°, (BHL: 105.02854°)
PDOP: 1.6

Nearest:

Building: 749' southwest
Public Road: 759' west
Property Line: 309' south
Existing Well: Pedicord #1, 5,517' northwest

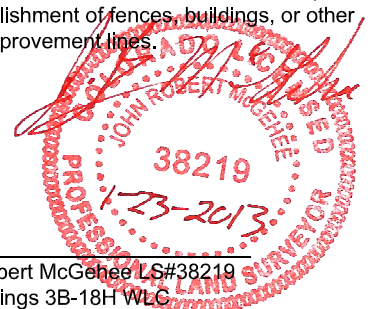
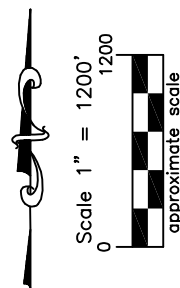
Above Ground Utility: 801' west
Railroad: 10,597' northwest
Well Window: SHL is 138' outside

Notes:

- 1) Bearings and distances based on NAD 83 Colorado North State Plane Coordinates using RTK GPS observations taken 8/16/12 by operator John Rice.
- 2) Conversion factor to ground (1.000286833).
- 3) Elevations based on NAVD 88 GPS heights and Geoid 2003 corrections.
- 4) See Location Drawing for visible improvements within 400' of pad site.
- 5) The surface use is a cultivated field.

NOTICE: According to Colorado law you MUST commence any legal action based upon any defect in this W.L.C. within three 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 ten 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 1/23/2013 for and on behalf of EnCana Oil & Gas (USA) Inc. That it is not 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 future improvement lines.



John Robert McGhee LS#38219
Well: Billings 3B-18H WLC