

November 26, 2012

Mr. Daniel B. Sheldon
17469 County Road 14
Fort Lupton, CO 80621

RE: Waiver of Rule 318A.c.(2) for the following Wells:
Marcus State 3A-36H, Surface Location 317' FSL, 1314' FWL
Marcus State 3B-36H, Surface Location 317' FSL, 1324' FWL
Marcus State 3C-36H, Surface Location 317' FSL, 1334' FWL
Marcus State 3D-36H, Surface Location 317' FSL, 1344' FWL
Marcus State 3E-36H, Surface Location 317' FSL, 1354' FWL
Marcus State 3F-36H, Surface Location 317' FSL, 1364' FWL
Section 36, T2N, R66W
Weld County, Colorado

Dear Mr. Sheldon:

Encana Oil & Gas (USA) Inc. ("Encana") staked the above mentioned wells at surface locations as indicated above from the north and east lines of Section 36, Township 2 North, Range 66 West (see attached Well Location Certificates). These 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. This rule states that all boundary infill wells be drilled from the same surface locations as previously designated in Rule 318A.c.(2) which reads:

"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."

These wells were staked at locations between 708' and 756' southwest of the existing Marcus State 24-36 well. As these locations were staked with your consent and approval, Encana respectfully requests your consent to an exception location for the above mentioned wells by waiver of the COGCC Rule 318A.c.(2).

Daniel B. Sheldon

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Marcus State 3F-36H, Surface Location 317' FSL, 1364' FWL
Section 36, T2N, R66W
Weld County, Colorado

November 26, 2012

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 me at (303) 656-9260.

Thank you,

ENCANA OIL & GAS (USA) INC.

A handwritten signature in black ink that reads "Ryan Bevens". The signature is written in a cursive, flowing style.

Ryan Bevens
Contract Field Land Negotiator



Daniel B. Sheldon

RE: Waiver of Rule 318A.c.(2) for the following Wells:
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Section 36, T2N, R66W
Weld County, Colorado

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THE UNDERSIGNED SURFACE OWNER HEREBY WAIVES RULE 318A.c.(2) AS IT APPLIES TO THE SURFACE LOCATION OF THE FOLLOWING WELLS AND APPROVES THE SURFACE LOCATIONS AS INDICATED BELOW FROM SECTION 36, TOWNSHIP 2 NORTH, RANGE 66 WEST, WELD COUNTY, COLORADO:

Marcus State 3A-36H, Surface Location 317' FSL, 1314' FWL
Marcus State 3B-36H, Surface Location 317' FSL, 1324' FWL
Marcus State 3C-36H, Surface Location 317' FSL, 1334' FWL
Marcus State 3D-36H, Surface Location 317' FSL, 1344' FWL
Marcus State 3E-36H, Surface Location 317' FSL, 1354' FWL
Marcus State 3F-36H, Surface Location 317' FSL, 1364' FWL

DANIEL B. SHELDON

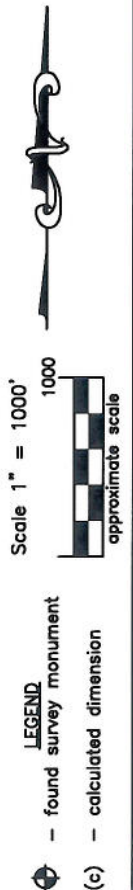
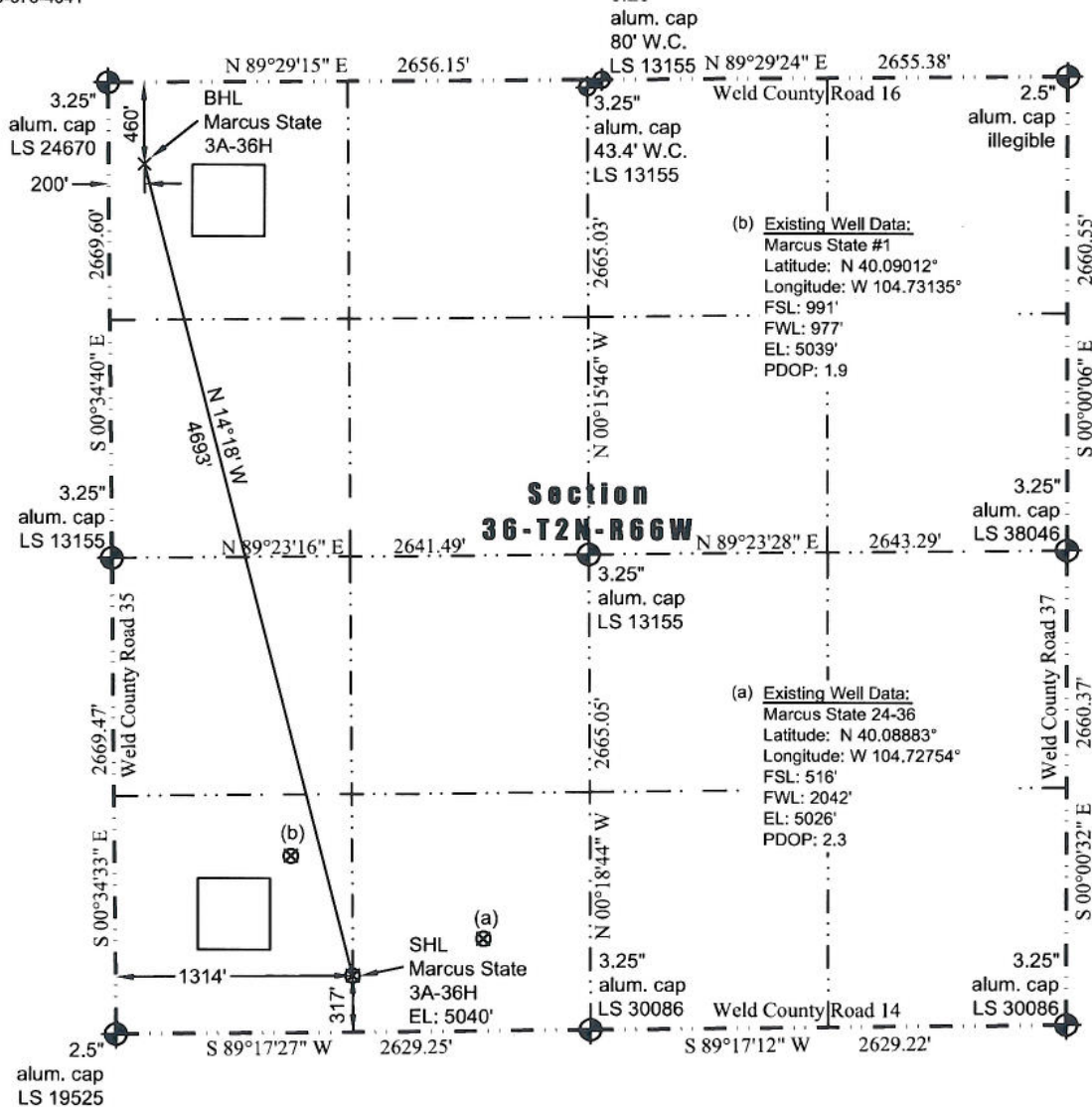
By _____
Daniel B. Sheldon

Encl.

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



I hereby certify that this Well Location Certificate was prepared by me or under my direct supervision on 11/6/2012 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.

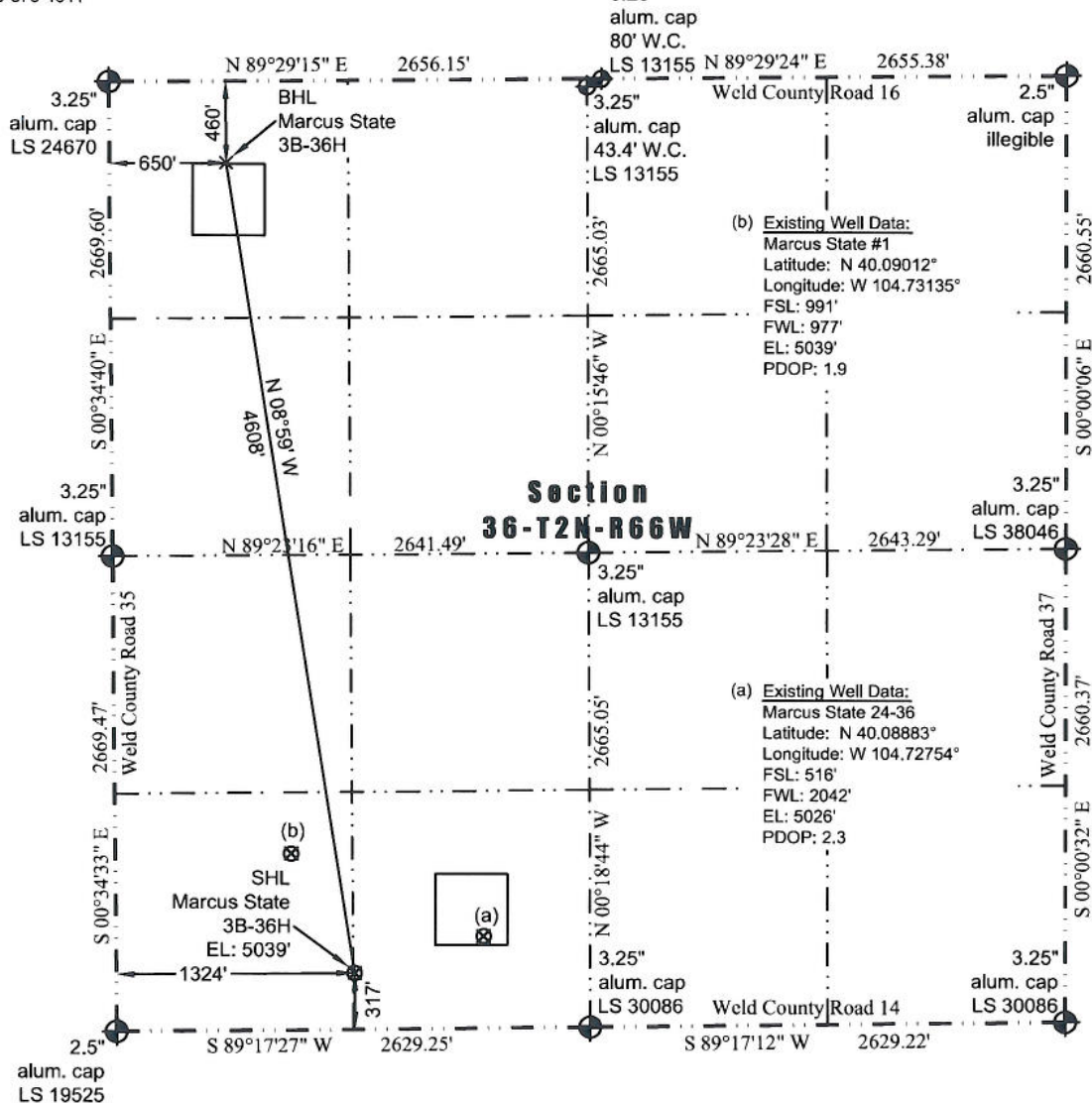


John Robert McGee, LS#38219
Well: Marcus State 3A-36H

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 **Marcus State 3B-36H** well site to be SHL: 317' FSL and 1324' FWL, (BHL: 460' FNL and 650' FWL) as measured at ninety (90) degrees from the section lines of Section 36, Township 2 North, Range 66 West, 6th Principal Meridian, County of Weld, CO.

Proposed Surface Hole Data:

Latitude: N 40.08828° (BHL: 40.10079°)
Longitude: W 104.73011° (BHL: 104.73254°)
PDOP: 1.9

Nearest:

Building 1,143' southeast
Public Road 307' south
Property Line 317' south
Existing Well: Marcus State 24-36, 746' northeast

Above Ground Utility 1,336' southeast
Railroad 21,920' west
Well Window: SHL is 474' outside

Notes:

- 1) Bearings and distances based on NAD 83 Colorado North State Plane Coordinates using RTK GPS observations taken 11/3/12 by operator John Rice.
- 2) Conversion factor to ground (1.0002810046).
- 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 pastured 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.

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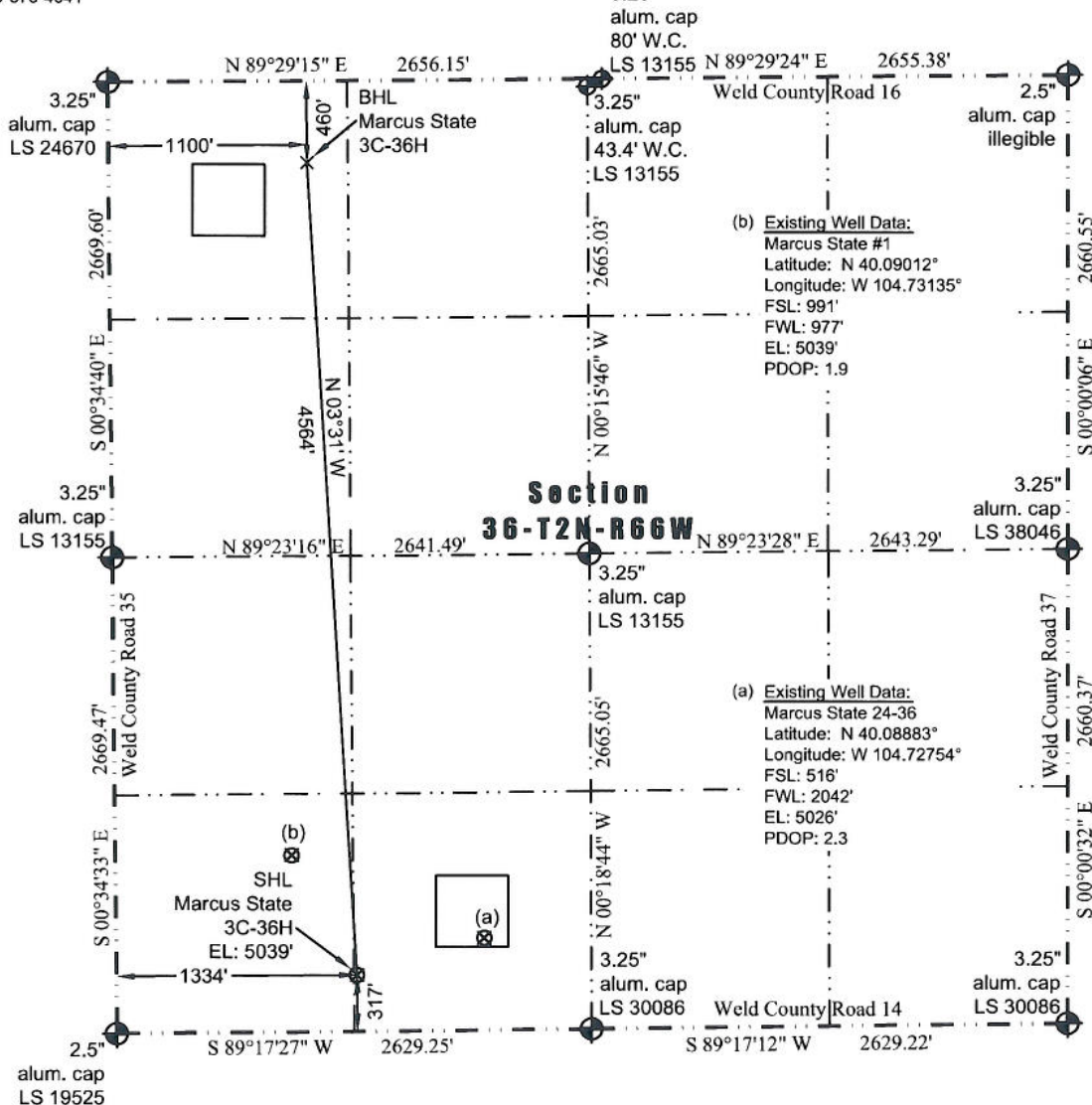
John Robert McGehee LS#38219
Well: Marcus State 3B-36H

JR Land Surveying, LLC

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

WELL LOCATION CERTIFICATE

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LEGEND
— found survey monument
— calculated dimension
(c)

In accordance with a request from Jay Knutson of EnCana Oil & Gas (USA) Inc., JR Land Surveying, LLC has determined the location of the **Marcus State 3C-36H** well site to be SHL: 317' FSL and 1334' FWL, (BHL: 460' FNL and 1100' FWL) as measured at ninety (90) degrees from the section lines of Section 36, Township 2 North, Range 66 West, 6th Principal Meridian, County of Weld, CO.

Proposed Surface Hole Data:

Latitude: N 40.08828° (BHL: 40.10079°)
Longitude: W 104.73007° (BHL: 104.73093°)
PDOP: 1.8

Nearest:

Building 1,133' southeast Above Ground Utility 1,326' southeast
Public Road 307' south Railroad 21,930' west
Property Line 317' south Well Window: SHL is 464' outside
Existing Well: Marcus State 24-36, 736' northeast

Notes:

- 1) Bearings and distances based on NAD 83 Colorado North State Plane Coordinates using RTK GPS observations taken 11/3/12 by operator John Rice.
- 2) Conversion factor to ground (1.0002810046).
- 3) Elevations based on NAVD 88 GPS heights and Geoid 2003 corrections.
- 4) See Location Drawing for visible improvements within 400' of pad site.
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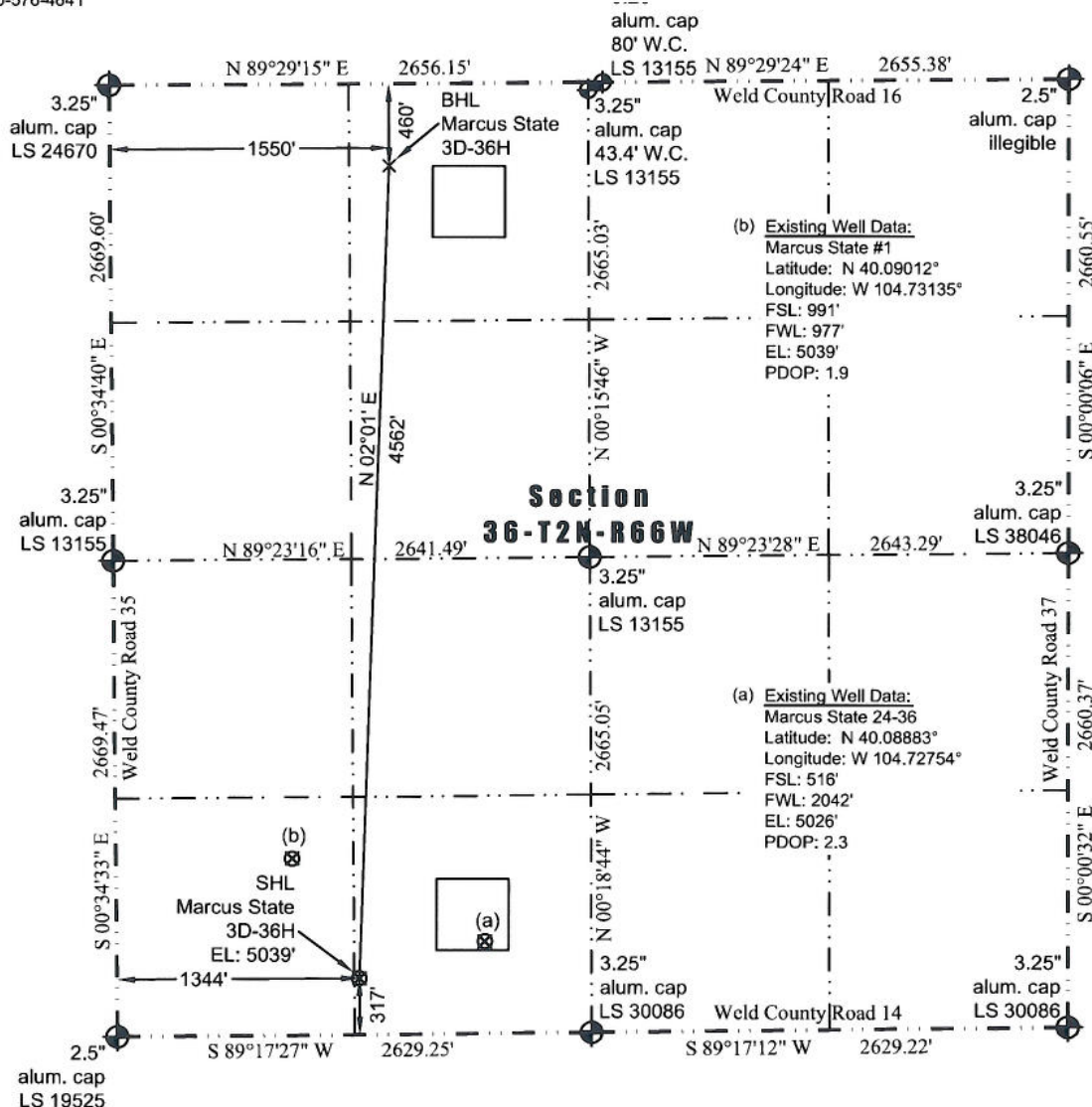
John Robert McGeehee LS#38219
Well: Marcus State 3C-36H

JR Land Surveying, LLC

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Windsor, Colorado 80528
P. 970-576-4641

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Scale 1" = 1000'

LEGEND
 - found survey monument
 - calculated dimension
 (c)

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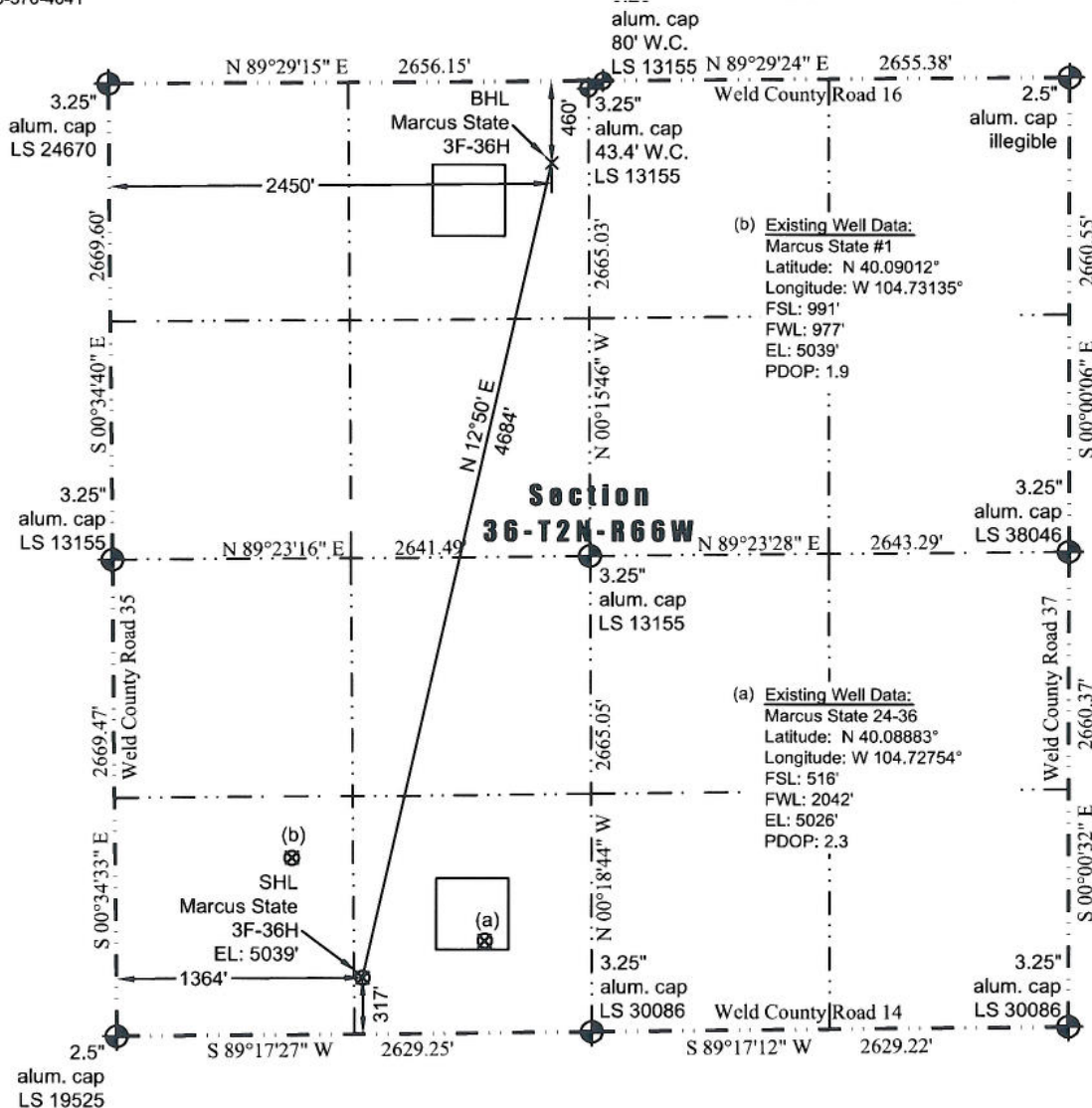
John Robert McGeehee LS#38219
Well: Marcus State 3D-36H

John Robert McGehee LS#38219
Well: Marcus State 3E-36H

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In accordance with a request from Jay Knutson of EnCana Oil & Gas (USA) Inc., JR Land Surveying, LLC has determined the location of the **Marcus State 3F-36H** well site to be SHL: 317' FSL and 1364' FWL, (BHL: 460' FNL and 2450' FWL) as measured at ninety (90) degrees from the section lines of Section 36, Township 2 North, Range 66 West, 6th Principal Meridian, County of Weld, CO.

Proposed Surface Hole Data:

Latitude: N 40.08828° (BHL: 40.10079°)
Longitude: W 104.72996° (BHL: 104.72610°)
PDOP: 2.0

Nearest:

Building 1,104' southeast Above Ground Utility 1,297' southeast
Public Road 308' south Railroad 21,960' west
Property Line 317' south Well Window: SHL is 436' outside
Existing Well: Marcus State 24-36, 708' northeast

Notes:

- Bearings and distances based on NAD 83 Colorado North State Plane Coordinates using RTK GPS observations taken 11/3/12 by operator John Rice.
- Conversion factor to ground (1.0002810046).
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- The surface use is a pastured field.

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John Robert McGhee LS#38219
Well: Marcus State 3F-36H

