



June 25, 2013

Town of Firestone  
c/o Rebecca Toberman  
151 Grant Avenue  
P.O. Box 100  
Firestone, CO 80520

RE: Waiver of Rule 318A(I).a.(1)(2)  
Out of Window  
Township 2 North, Range 67 West 6<sup>th</sup> P.M.  
Section 18: NE/4  
Weld County, Colorado

Well Name	Surface Location- Footages	
Kugel 1A-18H-H267	2184' FNL	539' FEL
Kugel 1C-18H-H267	2184' FNL	519' FEL
Kugel 1D-18H-H267	2184' FNL	509' FEL
Kugel 1E-18H-H267	2184' FNL	499' FEL
Kugel 1F-18H-H267	2183' FNL	489' FEL
Kugel 1G-18H-H267	2183' FNL	479' FEL

Dear Sir/ Madame:

Encana Oil & Gas (USA) Inc. ("Encana") staked the Kugel wells at the surface locations listed above (footages are further detailed on the 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(I) known as the Greater Wattenberg Area Special Well Location, Spacing and Unit Designation Rule (Except the City and County of Broomfield). This rule states that all boundary infill wells be drilled from the same surface locations as previously designated in Rule 318A(I).a.(1)(2) which reads:

"The Greater Wattenberg Area ("GWA") is defined to include those lands from and including Townships 2 South to 7 North and Ranges 61 West to 69 West, 6th P.M. In the GWA, operators may utilize the following described surface drilling locations (GWA windows") to drill, twin, deepen, or recomplete a well (GWA well") and to commingle any or all of the Cretaceous Age formations from the base of the Dakota Formation to the surface:

A square with sides four hundred (400) feet in length, the center of which is the center of any governmental quarter-quarter section ("400' window");

Encana Oil & Gas (USA) Inc.

Republic Plaza 370 17<sup>th</sup> Street Suite 1700 Denver CO 80202 USA 303.623.2300 [encana.com](http://encana.com)



The wells were staked at locations 7' (seven feet) south of the defined (400') window. As these locations were staked with your consent and approval, Encana respectfully requests your consent to an exception location for the wells by waiver of the COGCC Rule 318A(1).a.(1)(2).

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 720-876-3575.

Very truly yours,

**Encana Oil & Gas (USA) Inc.**

A handwritten signature in black ink, appearing to read "M. Learned", written over a horizontal line.

Marian M. Learned  
Land Negotiator




THE UNDERSIGNED SURFACE OWNER HEREBY WAIVES RULE 318A(1).a.(1)(2) AS IT APPLIES TO THE SURFACE LOCATIONS OF THE FOLLOWING WELLS AND APPROVES THE SURFACE LOCATIONS AS NOTED BELOW FROM THE SECTION LINES OF SECTION 18, TOWNSHIP 2 NORTH, RANGE 67 WEST, WELD COUNTY, COLORADO.


Well Name	Surface Location- Footages	
Kugel 1A-18H-H267	2184' FNL	539' FEL
Kugel 1C-18H-H267	2184' FNL	519' FEL
Kugel 1D-18H-H267	2184' FNL	509' FEL
Kugel 1E-18H-H267	2184' FNL	499' FEL
Kugel 1F-18H-H267	2183' FNL	489' FEL
Kugel 1G-18H-H267	2183' FNL	479' FEL

**SURFACE OWNER**

**Town of Firestone**

By :   
Chad Auer, Mayor

ATTEST:

  
Rebecca Toberman, Town Clerk





June 25, 2013

Town of Firestone  
c/o Rebecca Toberman  
151 Grant Avenue  
P.O. Box 100  
Firestone, CO 80520

RE: Waiver of Rule 318A(I).c.(1)  
Twinning  
Township 2 North, Range 67 West 6<sup>th</sup> P.M.  
Section 18: NE/4  
Weld County, Colorado

Well Name	Surface Location- Footages	
Kugel 1A-18H-H267	2184' FNL	539' FEL
Kugel 1C-18H-H267	2184' FNL	519' FEL
Kugel 1D-18H-H267	2184' FNL	509' FEL

Dear Sir/ Madame:

Encana Oil & Gas (USA) Inc. ("Encana") staked the Kugel wells at the surface locations listed above (footages are further detailed on the 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(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.(1) 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 Kugel wells were staked at locations greater than 50' (fifty feet) west of the existing Kugel 42-1 well located in the same drilling window. As these locations were staked with your consent and approval, Encana respectfully requests your consent to an exception location for these wells by waiver of the COGCC Rule 318A(I).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.**

Republic Plaza 370 17<sup>th</sup> Street Suite 1700 Denver CO 80202 USA 303.623.2300 [encana.com](http://encana.com)



Thank you for your time and consideration in this matter. If you have any questions or comments, please contact the undersigned at 720-876-3575.

Very truly yours,

**Encana Oil & Gas (USA) Inc.**

A handwritten signature in black ink, appearing to read "M. Learned", written over a horizontal line.

Marian M. Learned  
Land Negotiator



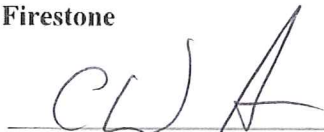
THE UNDERSIGNED SURFACE OWNER HEREBY WAIVES RULE 318A(I).c.(1) AS IT APPLIES TO THE SURFACE LOCATION OF THE FOLLOWING WELLS AND APPROVES THE SURFACE LOCATIONS AS NOTED BELOW FROM THE SECTION LINES OF SECTION 18, TOWNSHIP 2 NORTH, RANGE 67 WEST, WELD COUNTY, COLORADO.

<u>Well Name</u>	<u>Surface Location- Footages</u>	
Kugel 1A-18H-H267	2184' FNL	539' FEL
Kugel 1C-18H-H267	2184' FNL	519' FEL
Kugel 1D-18H-H267	2184' FNL	509' FEL

**SURFACE OWNER**


**Town of Firestone**

By :

  
Chad Auer, Mayor



ATTEST:

  
Rebecca Toberman, Town Clerk