

## WAIVER OF OBJECTION TO RULE 318A.m.

May 13, 2014

### **Encroached Upon Operator:**

Kerr-McGee Oil & Gas Onshore LP  
1099 18<sup>th</sup> Street  
Denver, CO 80202  
Attn: Jason Rayburn

Encana Oil & Gas (USA) Inc. ("Encana"), the operator, is seeking to drill the following proposed well to be located in Weld County, Colorado:

**Jillson-East Rinn 3D-22H-M268 (the "Well")**  
Section 22, Township 2 North, Range 68 West, 6<sup>th</sup> P.M.

#### **Surface Location:**

Section 22: SWSW – 701' FWL and 374' FSL

#### **Bottomhole Location:**

Section 15: NWSW – 750' FWL and 2656' FSL

It is contemplated that the wellbore path for the Well will pass within 77' of the Nygren 12-22 well.

{See the map attached hereto and labeled "Exhibit A" which depicts the location of the Well.}

The Colorado Oil and Gas Conservation Commission Rules, Greater Wattenberg Area Well Location, Rule 318A.m., provides (emphasis added):

**Minimum intrawell distance.** No horizontal wellbore lateral shall be located less than one hundred fifty (150) feet from any existing or permitted oil or gas wellbore as illustrated in the directional survey for drilled wellbores or as illustrated in the deviated drilling plan for permitted wellbores or as otherwise reflected in the COGCC well records. *This requirement may be waived in writing by the operator of the encroached upon well.*

Kerr-McGee Oil & Gas Onshore LP hereby waives any objection to the minimum intrawell distance between the above-described Well and any well operated by Kerr-McGee Oil & Gas Onshore LP, and grants permission to Encana to drill and produce the Well as proposed.

