

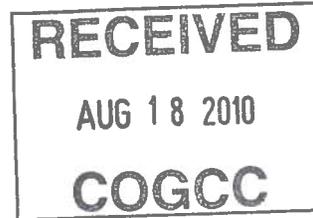


**EnCana Oil & Gas (USA) Inc.**

370 17th Street  
Suite 1700  
Denver, CO 80202

tel: (303) 623-2300  
fax: (303) 623-2400  
www.encana.com

August 16, 2010



Carol Harmon  
Colorado Oil and Gas Conservation Commission  
1120 Lincoln Street, Suite 801  
Denver, CO 80203

Re: Unit Agreement for North Parachute Ranch Unit  
Commission Order Nos. 479-20, 510-49, and 510-53

Dear Carol:

On August 27, 2009, the Commission issued Order Nos. 479-20 and 510-49, which, among other things, established the North Parachute Ranch Unit for the development and production of gas and associated hydrocarbons from the Williams Fork Formation. On June 1, 2010, the Commission issued Order No. 510-53, which modified the lands associated with the above referenced unit.

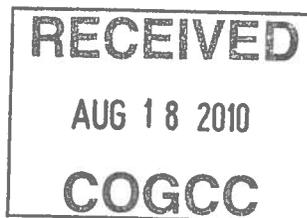
This letter is to inform the Colorado Oil and Gas Conservation Commission that all of the required parties have executed the Unit Agreement to the North Parachute Ranch Unit. Enclosed, please find the first page to the Unit Agreement, and signed original execution pages.

Should you have any questions, please feel free to give me a call at (720) 876-5625.

Regards,

A handwritten signature in blue ink, appearing to read "Jarred R. Kubat". The signature is fluid and cursive, with a large loop at the beginning.

Jarred R. Kubat  
Land Negotiator, North Piceance Team  
EnCana Oil & Gas (USA) Inc.



UNIT AGREEMENT – as of August 5, 2009

**NORTH PARACHUTE RANCH STATE UNIT  
GARFIELD COUNTY, COLORADO**

THIS AGREEMENT, entered into as of the 7<sup>th</sup> day of April 2010, by the parties who have signed the original of this instrument, a counterpart thereof, or other instrument agreeing to become a Person hereto,

WITNESSETH:

WHEREAS, in the interest of the public welfare and to promote conservation and increase the ultimate recovery of Unitized Substances from the North Parachute Ranch located in the Grand Valley Field, in Garfield County, Colorado, and to protect the rights of the owners of interests therein, it is deemed necessary and desirable to enter into this Agreement to unitize the Oil and Gas Rights in and to the Unitized Formation in order to conduct Unit Operations as herein provided,

NOW, THEREFORE, in consideration of the premise and of the mutual agreements herein contained, it is agreed as follows:

**ARTICLE 1**

DEFINITIONS

As used in this Agreement:

1.1 Unit Area is the land described by Tracts in Exhibit B and shown on Exhibit A as to which this Agreement becomes effective or to which it may be extended as herein provided.

1.2 Unitized Formation shall mean the Williams Fork formation. The Williams Fork Formation of the Cretaceous age Mesaverde Group is the primary target in the proposed North Parachute Ranch State Unit. The Williams Fork formation upper boundary is defined as the top of the Ohio Creek Formation with the top of the Rollins formation as the base.

1.3 Unitized Substances are all oil, gas, gaseous substances, sulphur contained in gas, condensate, distillate, and all associated and constituent liquid or liquefiable hydrocarbons within or produced from the Unitized Formation, except oil shale.

1.4 Working Interest is a cost bearing interest and is an interest in Unitized Substances by virtue of a lease, operating agreement, fee title or otherwise; however, Oil and Gas Rights that are free of a lease or other instrument creating a Working Interest shall be regarded as a Working Interest to the extent of eight-eighths less the existing Land Owners Royalty. A Royalty Interest created out of a Working Interest subsequent to the execution of this Agreement by the owner of such Working Interest shall continue to be subject to such Working Interest burdens and obligations as are stated in this Agreement, the Existing Operating Agreements and the Other Agreements.

1.5 Royalty Interest is a right to or non-cost bearing interest in any portion of the Unitized Substances or proceeds thereof other than a Working Interest.

1.6 Royalty Owner is a Person hereto who owns a Royalty Interest.

1.7 Working Interest Owner is a Person hereto who owns a Working Interest.

UNIT OPERATOR AND WORKING INTEREST OWNER

ENCANA OIL & GAS (USA) INC.

BY:   
Ricardo D. Gallegos  
Attorney In Fact

JK  
RMB

Date: 4/8/10

WORKING INTEREST OWNERS

**BERRY PETROLUEM COMPANY**

BY: \_\_\_\_\_

Date: \_\_\_\_\_

**OXY USA, INC.**

By: \_\_\_\_\_

Date: \_\_\_\_\_

**LIBERTY ENERGY, LLC**

By: \_\_\_\_\_

Date: \_\_\_\_\_

MINERAL OWNER

PAVILLION LAND DEVELOPMENT, LLC

By: \_\_\_\_\_

Date: \_\_\_\_\_

STATE OF COLORADO )

)

COUNTY OF DENVER )

The foregoing instrument was acknowledged before me this 8<sup>th</sup> day of April 2010, by Ricardo D. Gallegos as Attorney-in-Fact of EnCana Oil & Gas (USA) Inc., a Delaware corporation.

My Commission Expires:

Notary Public

3/25/13



April Jackson

My Commission Expires 03/25/2013

STATE OF COLORADO )

)

COUNTY OF DENVER )

The foregoing instrument was acknowledged before me this \_\_\_ day of \_\_\_ 2010, by \_\_\_\_\_ as \_\_\_\_\_ of Berry Petroleum Company, a \_\_\_\_\_ corporation.

My Commission Expires:

Notary Public

\_\_\_\_\_

\_\_\_\_\_

UNIT OPERATOR AND WORKING INTEREST OWNER

ENCANA OIL & GAS (USA) INC.

BY: \_\_\_\_\_

Date: \_\_\_\_\_

WORKING INTEREST OWNERS

**BERRY PETROLUEM COMPANY**

BY: Thomas B. Ford

Date: 5/17/10

**OXY USA, INC.**

By: \_\_\_\_\_

Date: \_\_\_\_\_

**LIBERTY ENERGY, LLC**

By: \_\_\_\_\_

Date: \_\_\_\_\_

MINERAL OWNER

PAVILLION LAND DEVELOPMENT, LLC

By: \_\_\_\_\_

Date: \_\_\_\_\_

STATE OF COLORADO )

COUNTY OF DENVER )

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_ 2010, by Ricardo D. Gallegos as Attorney-in-Fact of EnCana Oil & Gas (USA) Inc., a Delaware corporation.

My Commission Expires: \_\_\_\_\_

Notary Public

\_\_\_\_\_

\_\_\_\_\_

STATE OF COLORADO )

COUNTY OF DENVER )

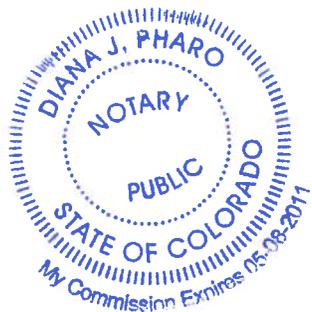
The foregoing instrument was acknowledged before me this 17<sup>th</sup> day of May 2010, by Thomas G. FAST as Corporate Land Manager of Berry Petroleum Company, a Delaware corporation.

My Commission Expires: \_\_\_\_\_

Notary Public

5-8-2011

Diana J. Pharo



UNIT OPERATOR AND WORKING INTEREST OWNER

ENCANA OIL & GAS (USA) INC.

BY: \_\_\_\_\_

Date: \_\_\_\_\_

WORKING INTEREST OWNERS

BERRY PETROLUUM COMPANY

BY: \_\_\_\_\_

Date: \_\_\_\_\_

OXY USA INC.

By:  \_\_\_\_\_

Alan Schwartz, Attorney-in-Fact

Date: \_\_\_\_\_

LIBERTY ENERGY, LLC

By: \_\_\_\_\_

Date: \_\_\_\_\_

STATE OF TEXAS )  
 )  
COUNTY OF HARRIS )

The foregoing instrument was acknowledged before me this 7<sup>th</sup> day of July 2010, by Alan Schwartz as Attorney-in-Fact of Oxy USA, Inc., a Delaware corporation.

My Commission Expires:

April 23, 2012

Notary Public

Irma E. Sandate



STATE OF \_\_\_\_\_ )  
 )  
COUNTY OF \_\_\_\_\_ )

The foregoing instrument was acknowledged before me this \_\_\_ day of \_\_\_ 2010, by \_\_\_\_\_ as \_\_\_\_\_ of Liberty Energy, LLC, a \_\_\_\_\_ corporation.

My Commission Expires:

Notary Public

STATE OF COLORADO )  
 )  
COUNTY OF DENVER )

The foregoing instrument was acknowledged before me this \_\_\_ day of \_\_\_ 2010, by Darrin J. Henke as Vice President of Pavilion Land Development, LLC.

My Commission Expires:

Notary Public

UNIT OPERATOR AND WORKING INTEREST OWNER

ENCANA OIL & GAS (USA) INC.

BY: \_\_\_\_\_

Date: \_\_\_\_\_

WORKING INTEREST OWNERS

BERRY PETROLUUM COMPANY

BY: \_\_\_\_\_

Date: \_\_\_\_\_

OXY USA, INC.

By: \_\_\_\_\_

Date: \_\_\_\_\_

LIBERTY ENERGY, LLC

By:   
SEAN ONEILL, OFFICER

Date: 5/26/10

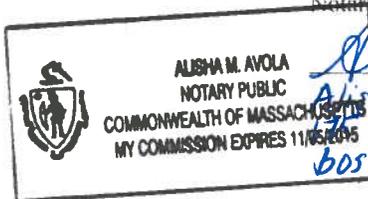
STATE OF \_\_\_\_\_ )  
 )  
COUNTY OF \_\_\_\_\_ )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_ 2010, by \_\_\_\_\_ as \_\_\_\_\_ of Oxy USA, Inc., a \_\_\_\_\_ corporation.  
My Commission Expires: \_\_\_\_\_ Notary Public

STATE OF Massachusetts )  
 )  
COUNTY OF Suffolk )

The foregoing instrument was acknowledged before me this 27 day of May 2010, by Sean O'Neill as Officer of Liberty Energy, LLC, a Massachusetts corporation LLC.  
My Commission Expires: \_\_\_\_\_ Notary Public

11/5/15



*Alisha M Avola*  
Alisha M AVOLA  
Berkeley St MS18K  
Boston, MA 02114

STATE OF COLORADO )  
 )  
COUNTY OF DENVER )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_ 2010, by Darrin J. Henke as Vice President of Pavillion Land Development, LLC.  
My Commission Expires: \_\_\_\_\_ Notary Public



STATE OF \_\_\_\_\_ )  
  )  
COUNTY OF \_\_\_\_\_ )

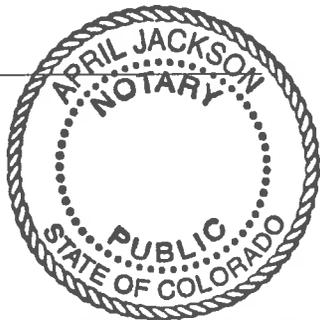
The foregoing instrument was acknowledged before me this \_\_\_ day of \_\_\_\_\_ 2010, by  
\_\_\_\_\_ as \_\_\_\_\_ of Oxy USA, Inc., a \_\_\_\_\_  
corporation.  
My Commission Expires: \_\_\_\_\_ Notary Public

STATE OF \_\_\_\_\_ )  
  )  
COUNTY OF \_\_\_\_\_ )

The foregoing instrument was acknowledged before me this \_\_\_ day of \_\_\_\_\_ 2010, by  
\_\_\_\_\_ as \_\_\_\_\_ of Liberty Energy,  
LLC., a \_\_\_\_\_ corporation.  
My Commission Expires: \_\_\_\_\_ Notary Public

STATE OF COLORADO )  
  )  
COUNTY OF DENVER )

The foregoing instrument was acknowledged before me this 22<sup>nd</sup> day of July 2010, by Darrin J. Henke as Vice  
President of Pavillion Land Development, LLC.  
My Commission Expires: \_\_\_\_\_ Notary Public



My Commission Expires 03/25/2013

April Jackson