

SURFACE DAMAGE AND RELEASE AGREEMENT

This Surface Damage and Release Agreement (this "Agreement") is made and entered into this 17 day of November, 2014 by and between Mary Alice Billings, individually and as Co-Trustee of the Mary Alice Billings Trust and Guaranty Bank and Trust Company, as Co-Trustee of the Mary Alice Billings Trust ("Owner") with an address at 2246 Riverside Dr., Lyons, CO 80540 and 401 Main Street, Longmont, CO 80501, and Encana Oil & Gas (USA) Inc. ("Encana") with an address at 370 17th Street, Suite 1700, Denver, Colorado 80202.

Whereas, Encana has the right to drill oil and gas wells (individually a "Well" and collectively, the "Wells") on the lands described below (the "Lands"):

Township 1 North, Range 68 West, of the 6th P.M.

Section 7: Part of the NW 1/4 containing 61 acres, more or less

Weld County, Colorado, more particularly described on Exhibit A, attached hereto and incorporated herein by this reference

Whereas, Owner and Encana wish to memorialize their agreement concerning the payment for damages to the surface of the Lands in connection with the access to and the drilling, construction, completion, recompletion, reworking, re-entry, production, maintenance and operation of the Wells and all, pipelines, vessels, drums, pumping equipment, separation equipment, electrical installations, and other production facilities or property of Encana or its affiliates, not including tank batteries, associated with the Wells and located on the Lands. This Agreement supersedes any prior surface use agreement between the parties, including but not limited to that surface use agreement, a memorandum of which was recorded in the records of the Clerk and Recorder of Weld County, Colorado at Reception No. 3316659.

Therefore, for and in consideration of the covenants and agreements contained herein, and for [REDACTED] and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Owner and Encana agree as follows:

1. Prior to the commencement of drilling operations on the Lands at the location described on the attached Exhibit B (the "Oil and Gas Operations Area"), Encana shall pay Owner the sum of [REDACTED] ([REDACTED]), which payment shall grant Encana the right to drill a total of sixteen (16) proposed Wells, as indicated on Exhibit B. If there are damages and/or losses to growing crops resulting from these operations and the actual damages are greater than the Wellsite Payment, then upon completion of the drilling and completion of the Wells, Encana shall pay Owner the difference between the Wellsite Payment and the actual crop damages and/or crop losses ("Crop Damage Payment"). The Wells, Wellsite, access roads ("Access Roads") and facilities areas are generally depicted on the attached Exhibit B. The Wells shall be located only within the areas identified as the Oil and Gas Operations Area ("Oil and

Gas Operations Area”), and substantially in the location shown on Exhibit B.

2. The Oil and Gas Operations Area includes the temporary completions area (“Temporary Completions Area”), facilities area (“Facilities Area”), temporary drilling area (“Temporary Drilling Area”), and utility easement (“Utility Easement”), all of which are depicted on the attached Exhibit B. Encana shall have the right to use the Oil and Gas Operations Area for its oil and gas operations, subject to the following:
 - a. The proposed Wells identified on Exhibit B shall be the limit of future Wells in the Oil and Gas Operations Area and on the Lands and shall be located substantially as shown on Exhibit B.
 - b. The Temporary Drilling Area shall be used for operations related to the preparation, drilling and completion of the Wells to be drilled at the locations within the Oil and Gas Operations Area.
 - c. The Temporary Completions Area shall be used only for temporary uses related to the completion of the Wells and the temporary location of production facilities. Encana may not locate Wells or permanent production facilities within the Temporary Completions Area.
 - d. The Facilities Area shall be the location for permanent production facilities that service the Wells. Permanent production facilities shall be limited to separators and pressure equipment for the Wells, provided that Encana is able to expand those facilities to accommodate future production. Such expansion may involve among other things, installation and connection of flowlines, separators and vapor recovery units. No permanent tanks shall be allowed in the Facilities Area with the exception of a temporary collection tank, which may be necessary in the initial two years following drilling. Encana shall make reasonable efforts to place “low profile” equipment in the Facilities Area. In the event such equipment exceeds fifteen (15) feet in height, Owner reserves the right to object during the permitting process to items exceeding fifteen (15) feet in height.
 - e. The Utility Easement shall be used for supplying electrical power to the Temporary Drilling Area during drilling and completions of the Wells, and to the Facilities Area during production of the Wells. The Utility Easement shall be Fifteen feet (15') in width. Owner reserves the right to use and occupy the Utility Easement for any purpose consistent with the rights and privileges above granted so long as such use does not interfere with or endanger any of Encana’s facilities therein or use thereof. Owner shall defend, indemnify, and hold harmless Encana against any and all loss, cost, damage or expense of every kind and nature arising out of Owner’s use of the Utility Easement. Following installation of the utilities, Encana shall, to the extent reasonably practical, restore the surface along the Utility Easement to its original level and condition. Upon request by Encana, Owner will execute a separate Utilities Easement Agreement at no additional compensation.

3. The Access Roads are generally depicted on the attached Exhibit B.
4. After any portion of the Wells are drilled from the Oil and Gas Operations Area, Owner agrees that Encana may at any time re-enter the Oil and Gas Operations Area to conduct additional drilling, completion, recompletion, and reworking operations in accordance with Colorado Oil and Gas Conservation Commission ("COGCC") regulations. In such case, if the Oil and Gas Operations Area has not been reclaimed, no additional consideration will be due to Owner. If, however, the Oil and Gas Operations Area has been reclaimed and there are actual crop damages and/or crop losses resulting from these operations, then upon completion of drilling, completion, recompletion, or reworking operations Encana shall make an additional payment to Owner in an amount equal to actual crop damages and/or crop losses resulting from these operations. Any such additional payments are referred to as the "Re-entry Payment". The Re-entry Payment shall cover all damages caused by additional drilling, completion, recompletion, and reworking operations. If Encana re-enters the Oil and Gas Operations Area to conduct drilling and completion of additional Wells, then Encana shall give Owner thirty (30) days prior notice.
5. The Wellsite Payment, Crop Damage Payment and Re-entry Payment shall be referred to as the "Damage Amount." The Damage Amount shall constitute payment in full by Encana and its affiliates for all normal damages, including but not limited to damages to growing crops, associated with the access to and the drilling, construction, completion, recompletion, reworking, re-entry, production, operation and maintenance of the Wells. Normal damages include, but are not limited to, reasonable and customary ingress, egress, rights-of-way, construction of all access roads, preparation and use of the drillsite area, preparation and use of reserve pits, and construction, installation and maintenance of production equipment and facilities such as flowlines, gas pipelines, separators and other equipment or facilities necessary or convenient for the production, transportation and sale of oil and/or gas therefrom.
6. If by reason of Encana's operations, there is damage to personal property located on the Lands or there is damage to the surface of the Lands caused by the negligence of Encana or an unreasonable use of the surface of the Lands by Encana that is not associated with reasonable and normal drilling, completion, recompletion, reworking, re-entry, production, maintenance and operation of the Wells, such as damage to structures, fences, culverts and cement ditches, such damage shall be repaired or replaced by Encana or Encana shall promptly pay Owner for such damage.
7. Except as otherwise provided herein, Owner, for itself and its successors and assigns, does hereby, in consideration of the Damage Amount release, relinquish and discharge Encana, its affiliates, successors and assigns from all claims, demands, damages and causes of action that Owner may have by reason of the drilling of the Wells and all other damage or injury to the Lands caused by the drilling, completion, recompletion, reworking, re-entry, production, operation and

maintenance of the Wells and all pipelines and other facilities, and Owner accepts the Damage Amount as full compensation therefor.

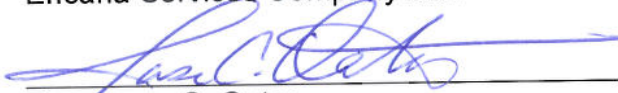
8. Notwithstanding the foregoing, Owner shall have no liability for the release or discharge by Encana, its contractors or agents, of oil, gas or any other substance on or under the Lands, except as such release or discharge is caused in whole or in part by Owner, or Owner's tenants, licensees, invitees, or agents, and Encana will indemnify and hold Owner harmless from and against all costs and expenses (including attorney's fees) for any such release or discharge.
9. Owner expressly acknowledges that this Agreement satisfies the obligations and requirements of Encana pursuant to COGCC rules and regulations and Colorado statutes to consult in good faith with Owner regarding proposed oil and gas operations on the Lands. Owner expressly acknowledges that this Agreement shall be deemed to be specifically applicable to, and to satisfy fully, the obligation of Encana to accommodate the Owner's use of the surface of the Lands, existing and future, and Owner waives any statutory or common law claims to the contrary including, but not limited to, any claims pursuant to C.R.S. 34-60-127. Owner also acknowledges that Encana has fully complied with all other applicable governmental regulations and statutes, if any, relating to the settlement of the damages contemplated herein.
10. Owner acknowledges that Encana's representative has met with and consulted with Owner (or Owner's representative) as to the location of the Wells, Oil and Gas Operations Area, Access Roads, and Facilities Area and that this Agreement incorporates the results of such meeting(s) and consultation(s).
11. In conducting operations on the Lands, Encana shall:
 - a. Use the Oil and Gas Operations Area during any drilling, completion, recompletion or workover operations as shown on Exhibit B. The area required for the Wells during production, maintenance and operation shall be an area around each Well of no more than one-quarter of an acre ($\frac{1}{4}$ acre) in size. The additional area required for the Facilities Area associated with the Wells shall be as depicted on Exhibit B. The Access Road(s) shall be approximately 30 feet in width during drilling, completion, recompletion and workover operations and shall be in the area as depicted on Exhibit B. The permanent Access Roads to the Wells and Facilities Area shall be approximately 15 feet in width and shall be in the area as depicted on Exhibit B.
 - b. Separate the top soil at the time of excavation of pits so that the top soil and subsurface soil may be placed back in proper order as nearly as possible. Following completion operations, the Oil and Gas Operations Area shall be ripped and returned to original slope and contour to the extent reasonably practicable.
 - c. Reclaim the Oil and Gas Operations Area as nearly as practicable to its original condition and, if the location is in pasture, reseed the location with native

grasses. Weather permitting, reclamation operations shall be completed within three (3) months following drilling and subsequent related operations, unless Encana and Owner mutually agree to postponement because of crop or other considerations.

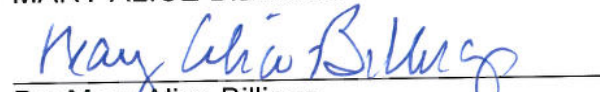
- d. Use its best efforts to keep the area around the Wells and Facilities Area free of weeds and debris.
 - e. Bury all flowlines to a depth of a minimum of forty-eight (48) inches below the surface of the ground.
 - f. Make reasonable efforts to minimize long-term impact to the alfalfa field adjacent to the Facilities Area and Oil and Gas Operations Area during any operations on the Lands.
 - g. Not occupy the surface of the Lands except for the Oil and Gas Operations Area and the Access Roads.
- 12. Owner waives the minimum thirty day written notice requirement described in the Notice Letter provided by Encana to Owner.
 - 13. Owner agrees to provide such other written approvals and waivers which are reasonably requested by Encana and consistent with this Agreement, including, but not limited to, all approvals and waivers to drill Wells or to conduct oil and gas operations on the Oil and Gas Operations Area that are needed because of any law or regulation, including any local ordinance and regulations of the COGCC.
 - 14. Notwithstanding the foregoing, Owner hereby agrees to waive any and all notices required by the COGCC relating to or arising out of an issuance of an Application for Permit to Drill (Form 2), Oil and Gas Location Assessment (Form 2A), or any notice and/or additional consultation required under COGCC Rules 305 or 306.
 - 15. This Agreement shall be binding upon and inure to the benefit of the heirs, successors and assigns of the parties, and may be executed in counterparts.
 - 16. A copy or memorandum of this Agreement shall be recorded in the books and records of the Office of the Clerk and Recorder, Weld County, Colorado.

IN WITNESS WHEREOF, the parties have set their hands on the day and year first written above.

ENCANA OIL & GAS (USA) INC.
by its authorized agent,
Encana Services Company Ltd.

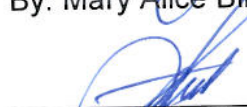

By: Jason C. Oates
Senior Manager, Regulatory &
External Stakeholder Relations

MARY ALICE BILLINGS


By: Mary Alice Billings
Individually

MARY ALICE BILLINGS TRUST

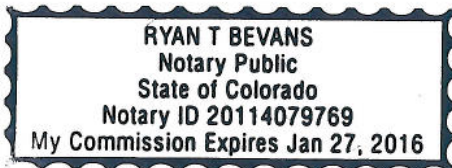

By: Mary Alice Billings, Co-Trustee


By: Guaranty Bank and Trust Company,
Co-Trustee By
Sarah S. Sterkel,
Vice President and Trust Officer

ACKNOWLEDGMENTS

STATE OF COLORADO)
) ss.
COUNTY OF DENVER)

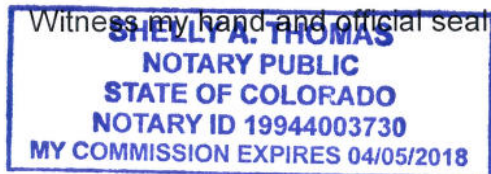
The foregoing instrument was acknowledged before me this 12 day of December, 2014, by Jason C. Oates, Senior Manager, Regulatory & External Stakeholder Relations of Encana Services Company, Ltd., authorized agent for Encana Oil & Gas (USA) Inc., a Delaware corporation.
Witness my hand and official seal.



Ryan T. Bevans
Notary Public
My Commission Expires: 1/27/2016

STATE OF COLORADO)
) ss.
COUNTY OF BOULDER)

The foregoing instrument was acknowledged before me this 17th day of November, 2014, by Mary Alice Billings, individually and as Co-Trustee of the Mary Alice Billings Trust.

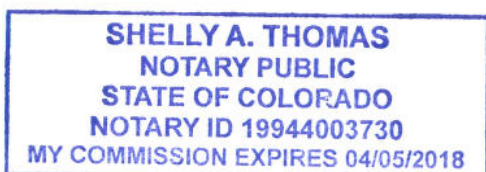


Shelly A. Thomas
Notary Public
My Commission Expires: 4/5/2018

STATE OF COLORADO)
) ss.
COUNTY OF BOULDER)

The foregoing instrument was acknowledged before me this 17th day of November, 2014, by Sarah S. Sterkel, Vice President and Trust Officer of Guaranty Bank and Trust Company, Co-Trustee of the Mary Alice Billings Trust.

Witness my hand and official seal.



Shelly A. Thomas
Notary Public
My Commission Expires: 4/5/2018