

September 2, 2014

CDG Morgan Hill, LLC
Attn: Jon Lee
2500 Arapahoe Avenue, Suite 220
Boulder, Colorado 80302

Mary Alice Billings and
The Mary Alice Billings Trust
2246 Riverside Drive
Lyons, CO 80540

Woolley Family Trust
PO Box 223
Allenspark, CO 80510

RE: Waiver of Rule 318A.c.(2) for the following Wells:
Morgan Hills 1A-7H-A168, Surface Location 368' FNL, 399' FEL
Morgan Hills 1B-7H-A168, Surface Location 368' FNL, 389' FEL
Morgan Hills 1C-7H-A168, Surface Location 368' FNL, 379' FEL
Morgan Hills 1D-7H-A168, Surface Location 368' FNL, 369' FEL
Morgan Hills 1E-7H-A168, Surface Location 368' FNL, 359' FEL
Morgan Hills 1F-7H-A168, Surface Location 368' FNL, 349' FEL
Morgan Hills 1G-7H-A168, Surface Location 368' FNL, 339' FEL
Morgan Hills 1H-7H-A168, Surface Location 368' FNL, 329' FEL
Morgan Hills 1I-7H-A168, Surface Location 368' FNL, 319' FEL
Section 7, T1N, R68W
Weld County, Colorado

Ladies and Gentlemen:

Encana Services Company, Ltd. ("Encana") staked the above mentioned wells at surface locations as indicated above from the north and east lines of Section 7, Township 1 North, Range 68 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."

The Encana logo consists of the word "encana" in a lowercase, sans-serif font. Below the text is a stylized, curved line that arches over the letters, resembling a horizon or a wave.

These wells were staked at locations between 246' and 342' northeast of the existing Woolley 41-7 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).

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 (720) 876-5811.

Thank you,

ENCANA OIL & GAS (USA) INC.

A handwritten signature in cursive script that reads "Ryan Bevens".

Ryan Bevens
Land Negotiator

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THE UNDERSIGNED SURFACE OWNER(S) 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 7, TOWNSHIP 1 NORTH, RANGE 68 WEST, WELD COUNTY, COLORADO:

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CDG Morgan Hill, LLC Inc.

By [Signature]
Jon Lee, Jon Lee

Mary Alice Billings and
The Mary Alice Billings Trust

By [Signature]
Mary Alice Billings
or Mary Alice Billings
Co Trustee

Woolley Family Trust

By [Signature]
Trustee

Page 3 of 3 Granville Burkhead Trust Co, Co Trustee
By: [Signature]
VP; TO

Encana Services Company, Ltd.
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ryan.bevans@encana.com
www.encana.com