

MEMORANDUM OF SURFACE AND DAMAGE AGREEMENT

This Memorandum of Surface and Damage Agreement is executed by Barry C. Shideler and Marilyn J. Shideler, husband and wife, 1411 County Road 316, Silt, Colorado 81652 ("Owner") and Encana Oil & Gas (USA) Inc., whose address is 370 17th Street, Suite 1700, Denver, Colorado 80202 ("Encana") and placed of record in Garfield County, Colorado for the purpose of placing all persons on notice of the existence of that certain unrecorded Surface and Damage Agreement between Owner and Encana dated the 7 day of June, 2012 (the "Agreement").

The Agreement provides for the use of the surface of the land described below and in the Exhibit A attached hereto by Encana in connection with certain oil and gas operations and for the compensation to Owner for all damages to the surface of the land associated with the drilling, construction, testing, completion, recompletion, reworking, re-entry, production, maintenance and operation of the well(s) and all pipelines, tank batteries, and other facilities or property of Encana or its affiliates associated with the well(s) located on the O19EB Well Pad to be located in:

TOWNSHIP 7 SOUTH, RANGE 92 WEST, 6TH P.M.
Section 19: SW1/4SE1/4

A true and complete copy of the Agreement is available from Encana to any person owning an interest in the above described land.

BARRY C. SHIDELER & MARILYN J. SHIDELER

By: Barry C. Shideler
Barry C. Shideler

By: Marilyn J. Shideler
Marilyn J. Shideler

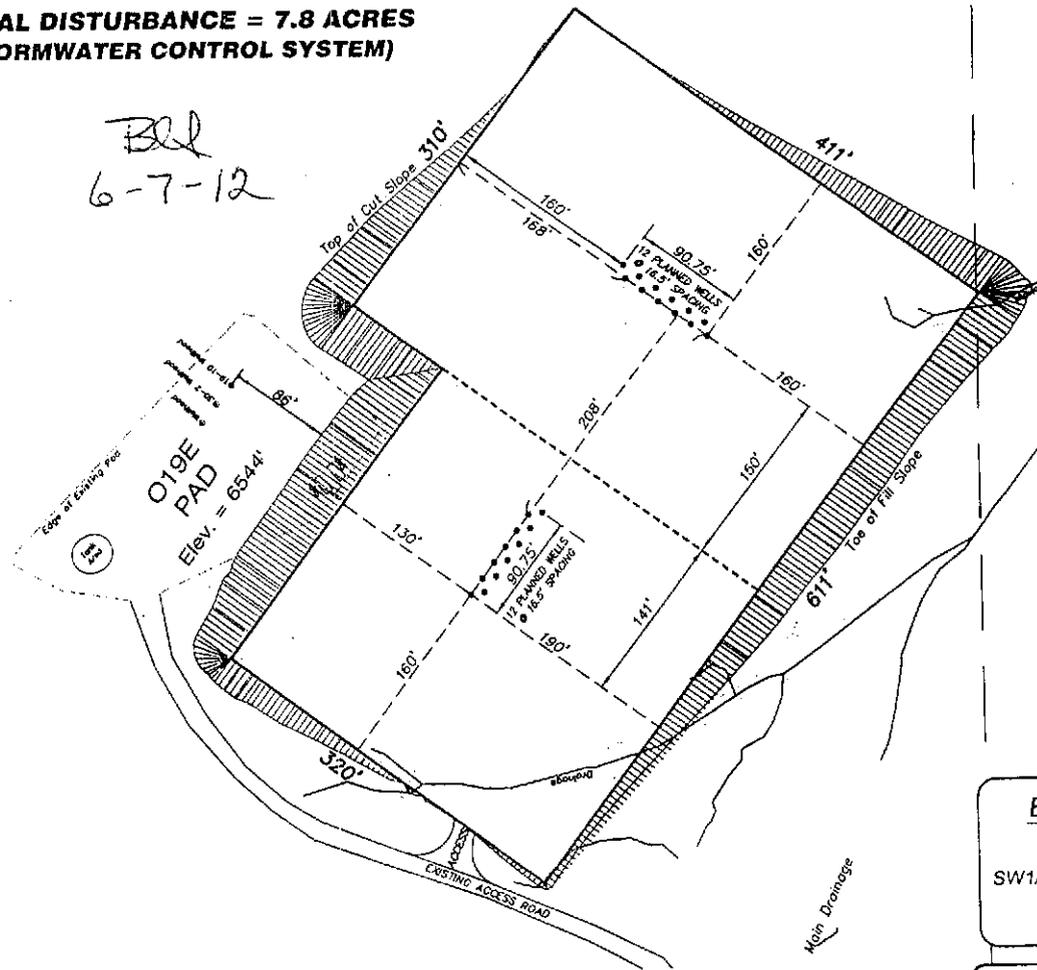
ENCANA OIL & GAS (USA) INC.

By: Helen M. Capps
Helen M. Capps
Attorney-in-Fact

Exhibit A
 Attached to and made a part of that certain Surface and Damage Agreement dated 7 JUNE, 2012 between
 Barry C. Shideler and Marilyn J. Shideler and Encana Oil & Gas (USA) Inc.

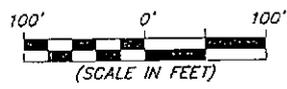
**ESTIMATED TOTAL DISTURBANCE = 7.8 ACRES
 (INCLUDING STORMWATER CONTROL SYSTEM)**

*BCJ
 6-7-12*



EnCana Oil & Gas (USA) Inc.
O19EB Well Pad
 SW1/4 SE1/4, SECTION 19, T7S, R92W, 6th P.M.
 WELL PAD LAYOUT

| | | | |
|-------------|----------|-----------------------|---------------------------|
| Area Map | | Scale: 1" = 100' | SHEET 1 OF 1 |
| Project No: | 10-04-49 | Date Surveyed: | |
| Date Drawn: | 5/11/12 | Latest Revision Date: | |
| | | 5/17/12 | |



WASATCH SURVEYING
 906 Main Street
 Evanston, Wyoming 82930
 Phone No. (307) 789-4545

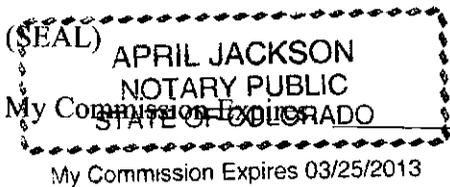
Reception #: 821962
 07/30/2012 01:41:28 PM Jean Alberico
 2 of 3 Rep Fee: \$21.00 Doc Fee: 0.00 GARFIELD COUNTY CO

ACKNOWLEDGEMENTS

State of: Colorado)
) §
City & County of: Denver)

On this 26th day of June 2012, before me personally appeared **Helen M. Capps as Attorney-in-Fact** for Encana Oil & Gas (USA) Inc., known to me to be the person described in and who executed the foregoing instrument, and who acknowledged to me that he executed the same.

WITNESS my hand and official seal.



April Jackson

State of COLORADO)
) §
County of GARFIELD)

On this 7th day of JUNE 2012, before me personally appeared Barry C. Shideler and Marilyn J. Shideler known to me to be the person described in and who executed the foregoing instrument, and who acknowledged to me that he executed the same.

WITNESS my hand and official seal.

(SEAL)

My Commission Expires: 7/8/2015

Barney Hammond
BARNEY HAMMOND
406 LODGE POLE CIRCLE
PARACHUTE, COLORADO
81635



encanaTM

natural gas

\$21

**REQUEST FORM FOR:
DOCUMENT RECORDINGS / APPROVALS**

DATE: 07.17.2012
NAME: Edith Bryan
EXT: 3813
DOC TYPE: Memorandum of Surface and Damage Agreement

INSTRUCTIONS:

- SEND FOR COUNTY RECORDING CO - Garfield
(Name of ST & County)
- SEND FOR BLM APPROVAL _____
(Office Name and location)
- SEND FOR BIA APPROVAL _____

RETURN TO

Edith Bryan

SEND TO SCANNING

ACCOUNT INFO/CODING

AFE/COST CENTER # 12163601
ACCOUNT CODE # 8700.306
PROSPECT Hunter Mesa

SPECIAL INSTRUCTIONS