



July 26, 2014

Mr. Matt Lepore, Director
Colorado Oil & Gas Conservation Commission
1120 Lincoln Street, Suite 801
Denver, Colorado 80203

RE: Exception Location Request Rule 318A.a., 318A.c

Morgan Hills 1A-7H-A168
Morgan Hills 1D-7H-A168
Morgan Hills 1G-7H-A168
NENE Sec. 7 T1N-R68W

Morgan Hills 1B-7H-A168
Morgan Hills 1E-7H-A168
Morgan Hills 1H-7H-A168

Morgan Hills 1C-7H-A168
Morgan Hills 1F-7H-A168
Morgan Hills 1I-7H-A168

Dear Director:

Please let this letter serve as a request for administrative approval of an exception location for the captioned oil and gas wells. Encana Oil & Gas (USA) Inc. ("Encana") proposes to drill the above referenced wells at a surface location outside a legal drilling window as defined by Rule 318A.a and further than 50' from an existing well as defined by Rule 318A.c.

Rule 318A.a of the Colorado Oil and Gas Commission's Rules and Regulations requires wells to be drilled in a square with sides 400 feet in length, the center of which is the center of any quarter/quarter section or in the center of any quarter section with the four sides being 800 feet in length. Encana proposes to drill the above referenced wells at a surface location outside a legal drilling window.

Rule 318A.c of the Colorado Oil and Gas Commission's Rules and Regulations requires wells to be staked at a surface location greater than fifty (50) feet from another well. Encana proposes to drill the above referenced wells at a surface location further than 50' from an existing well. The location of the above referenced well has been determined per the surface owner's request. Waivers of the subject rules have been signed by the surface owner are enclosed for your review.

Thank you for your assistance in this matter. If you have any questions or comments, please contact me at 720-876-5156.

Sincerely,
Encana Oil & Gas (USA) Inc.

A handwritten signature in black ink, appearing to read "B. Lamond", written over a horizontal line.

Bonnie Lamond
Regulatory Analyst

Encana Oil & Gas (USA) Inc.

Republic Plaza
370 – 17 Street, Suite 1700
Denver, Colorado
United States 80202

t 303.623.2300

f 303.623.2400

www.encana.com