

STATE OF COLORADO

Bill Ritter, Jr., Governor
James B. Martin, Executive Director

Dedicated to protecting and improving the health and environment of the people of Colorado

4300 Cherry Creek Dr. S. Laboratory Services Division
Denver, Colorado 80246-1530 8100 Lowry Blvd.
Phone (303) 692-2000 Denver, Colorado 80230-6928
TDD Line (303) 691-7700 (303) 692-3090
Located in Glendale, Colorado

<http://www.cdphe.state.co.us>



Colorado Department
of Public Health
and Environment

November 24, 2008

Byron R. Gale
EnCana Oil & Gas (USA) Inc. (Mamm Creek)
370 17th Street, Suite 1700
Denver, CO 80202

RE: Compliance Order on Consent, Number: SC-081124-1

Dear Mr. Gale:

Enclosed for EnCana Oil & Gas (USA) Inc. records you will find your copy, with original signatures, of the recently executed Compliance Order on Consent.

Please remember that this agreement is subject to a thirty-day public comment period (paragraph 40). Upon initiation, if the Division receives any comments during this period we will contact your office to discuss. Also, please be advised that the first page of the Order was changed in order to place the assigned Order Number on the final document.

If you have any questions, please don't hesitate to contact Michael Harris at (303) 692-3598 or by electronic mail at michael.harris@state.co.us.

Sincerely,

Kristi-Raye Beaudin, Legal Assistant
Water Quality Protection Section
WATER QUALITY CONTROL DIVISION

cc: Consumer Protection Division, CDPHE
MS-3 File

cc: Aaron Urdiales, EPA Region VIII
Mark Kadnuck, Engineering Section, CDPHE
Dick Parachini, Watershed Program, CDPHE
Gary Beers, Permits Unit, CDPHE
David Neslin, COGCC (david.neslin@state.co.us)
Carolyn Schachterle, OPA
Byron Gale, (byron.gale@encana.com)

Enclosure(s)



**COLORADO DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT
WATER QUALITY CONTROL DIVISION**

COMPLIANCE ORDER ON CONSENT

NUMBER: SC-081124-1

**IN THE MATTER OF: ENCANA OIL & GAS (USA) INC.
 CDPS PERMIT NO. COR-030000
 CERTIFICATION NO. COR-034840
 GARFIELD COUNTY, COLORADO**

The Colorado Department of Public Health and Environment ("Department"), through the Water Quality Control Division ("Division"), issues this Compliance Order on Consent ("Consent Order"), pursuant to the Division's authority under §25-8-605, C.R.S. of the Colorado Water Quality Control Act ("the Act") §§ 25-8-101 to 703, C.R.S., and its implementing regulations, with the express consent of EnCana Oil & Gas (USA) Inc. ("EnCana"). The Division and EnCana may be referred to collectively as "the Parties."

STATEMENT OF PURPOSE

1. The mutual objectives of the Parties in entering into this Consent Order are to resolve, without litigation, the alleged violations cited herein.

DIVISION'S FINDINGS OF FACT AND DETERMINATION OF VIOLATIONS

2. Based upon the Division's investigation into and review of the compliance issues identified herein, and in accordance with §§25-8-602 and 605, C.R.S., the Division has made the following determinations regarding EnCana and EnCana's compliance with the Act and its permit.
3. At all times relevant to the alleged violations identified herein, EnCana was a Delaware corporation in good standing and registered to conduct business in the State of Colorado.
4. EnCana is a "person" as defined under the Water Quality Control Act, §25-8-103(13), C.R.S. and its implementing permit regulation, 5 CCR 1002-61, §61.2(73).

5. On July 1, 2002, EnCana initiated construction activities to clear and grade numerous plots of land, and build associated access roads, on property located within a fifty two thousand five hundred (52,500) acre area of Garfield County, Colorado, for the drilling and recovery of oil and/or natural gas resources (the "Mamm Creek Field").
6. On July 1, 2002, EnCana applied for Mamm Creek Field coverage under the Colorado Discharge Permit System General Permit, Number COR-030000, for Stormwater Discharges Associated with Construction Activity (the "Permit").
7. On January 15, 2003, the Division provided EnCana Certification Number COR-034840 authorizing EnCana to discharge stormwater from the construction activities associated with the Mamm Creek Field to the Colorado River, under the terms and conditions of the Permit. Certification Number COR-034840 became effective January 9, 2003 and remains in effect until June 30, 2012 or until EnCana inactivates Permit coverage.
8. The Colorado River is "state waters" as defined by §25-8-103(19), C.R.S. and its implementing permit regulation, 5 CCR 1002-61, §61.2(102).
9. Pursuant to 5 CCR 1002-61, §61.8, a permittee must comply with all the terms and conditions of a permit and violators of the terms and conditions specified in a permit may be subject to civil and criminal liability pursuant to §§25-8-601 through 612, C.R.S.
10. On August 17, 2005, a representative from the Division (the "Inspector") conducted an on-site inspection of the Mamm Creek Field, pursuant to the Division's authority under §25-8-306, C.R.S., to determine EnCana's compliance with the Water Quality Control Act and the Permit. During the inspection, the Inspector spoke with Mamm Creek Field representatives, conducted a review of the Mamm Creek Field's stormwater management records, and performed a physical inspection of a portion of the Mamm Creek Field.
11. Pursuant to Part I. B. of the Permit, EnCana was required to prepare a Stormwater Management Plan ("SWMP") for each project that identified Best Management Practices ("BMPs") that, when implemented, would meet the terms and conditions of the Permit. The SWMP is required to identify potential sources of pollution (including sediment), which may be reasonably expected to affect the quality of stormwater discharges associated with construction activity from each project. In addition, the plan is required to describe and ensure the implementation of BMPs, which will be used to reduce the pollutants in stormwater discharges associated with construction activity.
12. The Division has determined that EnCana failed to prepare and maintain a complete and accurate SWMP for the Mamm Creek Field as described in paragraphs 12(a-d) below:
 - a. During the August 17, 2005 inspection, the Inspector reviewed the Mamm Creek Field's SWMP and noted that the SWMP did not adequately describe the relationship between the phases of construction and the implementation and maintenance of controls and measures, as required in the Permit.

- b. During the August 17, 2005 inspection, the Inspector reviewed the Mamm Creek Field's SWMP and noted that the site map included in the SWMP did not include the locations of onsite BMPs nor areas used for the storage of building materials, soils or wastes, as required in the Permit, until after the BMPs were already installed on the site.
 - c. During the August 17, 2005 inspection, the Inspector reviewed the Mamm Creek Field's SWMP and noted that the SWMP did not contain procedures for materials handling and spill prevention, as required in the Permit. The SWMP made reference to a Spill Prevention Control and Countermeasure Plan ("SPCC Plan") that was being utilized, however, the SPCC Plan was not included in the SWMP and was not available onsite, as required in the Permit.
 - d. On November 1, 2005, the Division received an updated copy of the Mamm Creek Field's SWMP from EnCana, which included a copy of the SPCC Plan. In-office review of the Field's SPCC Plan, included in the updated SWMP, found that the SPCC Plan did not contain adequate procedures for containing and remediating oil and/or chemical spills. The SPCC Plan stated that mobile oil spills would be contained, and that contaminated soils containing over 1.0% total petroleum hydrocarbon (TPH) by weight would be excavated for remediation or disposal. However, the SPCC Plan did not describe how EnCana would prevent stormwater from flowing across these contaminated soils or how EnCana would contain these areas to prevent contaminated stormwater from leaving an affected site.
13. EnCana's failure to prepare and maintain a complete and accurate SWMP for the Mamm Creek Field constitutes violation(s) of Part I. B. of the Permit.
 14. Pursuant to Part I. B. 3. a. (1) of the Permit, EnCana was required to minimize erosion and sediment transport from each of its projects. The Permit specifies that structural site management practices may include, but are not limited to: straw bales, silt fences, earth dikes, drainage swales, sediment traps, subsurface drains, inlet protection, outlet protection, gabions, and temporary or permanent sediment basins.
 15. Pursuant to Part I. B. 3. a. (2) of the Permit, EnCana was required to implement interim and permanent stabilization practices, including site-specific scheduling of the implementation of the practices. The Permit specifies that site plans should ensure existing vegetation is preserved where possible and that disturbed areas are stabilized. The Permit specifies that non-structural practices may include, but are not limited to: temporary seeding, permanent seeding, mulching, geotextiles, sod stabilization, vegetative buffer strips, protection of trees and preservation of mature vegetation.
 16. Pursuant to Part I. B. of the Permit, EnCana was required to implement the provisions of the SWMP.
 17. The Division has determined that EnCana failed to implement and/or maintain functional BMPs at the Mamm Creek Field as described in paragraphs 17(a-f) below:

- a. During the August 17, 2005 inspection, the Inspector observed gravel in place on the flat surfaces of the various pad sites at the Mamm Creek Field. The gravel, according to the Mamm Creek Field's SWMP, was in place to stabilize the disturbed areas and prevent vehicles from tracking sediment off the sites. The gravel was not acting as an adequate BMP, however, as there was not a sufficient amount of gravel present to stabilize the pad surfaces or trap sediment.
 - b. During the August 17, 2005 inspection, the Inspector observed no BMPs in place at pad site G11W to prevent run-on water from the adjacent gulch from draining across the site. The Mamm Creek Field's SWMP stated that a diversion berm would be constructed to direct surface water away from the pad site, however, no diversion berm was observed in place. Consequently, stormwater from the gulch was eroding the disturbed areas of pad site G11W as it drained onto site and into the site's reserve pit.
 - c. During the August 17, 2005 inspection, the Inspector observed silt fence in place along the toe edge of the steep fill slope located at the northeast corner of pad site G11W. The silt fence was buried with sediment and, thus, not functioning as an adequate BMP to control pollutant discharges. Consequently, sediment from pad site G11W had discharged beyond the silt fence and into the adjacent gulch.
 - d. During the August 17, 2005 inspection, the Inspector observed pollutant-contaminated soils from a chemical spill that had occurred at the northwest corner of pad site G11W. The spill area had not been cleaned, no BMPs were in place to prevent run-on water from flowing across the contaminated area and no BMPs were in place to contain the area and prevent contaminated stormwater from leaving the spill site.
 - e. During the August 17, 2005 inspection, the Inspector observed pollutant-contaminated soils at pad site B14W. Drilling fluids from the reserve pit at pad site B14W were being mixed with topsoil and spread onto the surface of the site. No BMPs were observed in place to prevent run-on water from flowing across the contaminated area and no BMPs were in place to contain the area and prevent contaminated stormwater from leaving the site.
 - f. During the August 17, 2005 inspection, the Inspector observed several constructed roads comprising a network of passageways to the various pad sites at the Mamm Creek Field. No BMPs were observed in place to stabilize the disturbed ditch lines and slopes adjacent to the roads. Consequently, significant erosion of the disturbed slopes and ditch lines was occurring, and sediment discharge from these areas was observed in several culvert drainage pipes that were in place to convey stormwater under the roads and into state waters.
18. EnCana's failure to implement and maintain functional BMPs to protect stormwater quality during construction activities at the Mamm Creek Field constitutes violations of Part I. B. and Part I. B. 3. a. of the Permit.
19. The Division acknowledges that EnCana timely and satisfactorily performed all of the obligations and actions required under the January 31, 2006 Notice of Violation / Cease and Desist Order (Number: SO-060131-1).

EnCana's Position on Alleged Violations

20. Prior to the effective date of the 2002 version of the Permit, EnCana timely applied for Permit coverage for all of its then-existing Mamm Creek Field construction activities that were lawfully subject to Permit requirements.

21. With respect to the alleged findings in paragraph 12 above concerning the completeness and accuracy of the SWMP for the Mamm Creek Field at the time of the August 17, 2005 inspection, EnCana contends:
 - a. The SWMP included narrative descriptions of the BMPs to be used during various phases of construction, including: pad preparation, excavation, reclamation, and post-construction. EnCana subsequently revised the SWMP to enhance these descriptions.

 - b. Hand-drawn maps were available, which showed the locations of BMPs installed at individual well-pad sites.

 - c. The SWMP included a section titled "Material Handling and Spill Prevention," which identified the types of hazardous materials and petroleum products used in the construction of well-pads and contained instructions on chemical handling and spill clean-up. EnCana's practice is to maintain a copy of the SPCC Plan in the same location as the SWMP.

 - d. The updated copy of the SPCC submitted to the Division on November 1, 2005 was consistent with applicable rules and regulations promulgated by the Colorado Oil and Gas Conservation Commission (the "OGCC") for defining soil cleanup levels, determining sensitive areas, and prescribing appropriate spill response techniques. The SPCC Plan instructed that mobile oil spills should be contained as soon as possible by the construction of earthen berms or by the placement of mechanical barriers, and it prescribed methods for the delineation of spills and for the rapid removal of soils containing more than 1% total petroleum hydrocarbon to prevent stormwater contamination.

22. With respect to the alleged findings in paragraph 17 above concerning the implementation and maintenance of functional BMPs at the Mamm Creek Field at the time of the August 17, 2005 inspection, EnCana contends:
 - a. Gravel observed by the Division to be in place on the Mamm Creek Field well pad surfaces was acting to stabilize the pad surfaces and prevent against off-site sediment transport.

 - b. Spill-impacted soils observed at well pads G11W and B14W were submitted for laboratory analysis following the August 17, 2007 inspection, as requested by the Division. All hydrocarbon constituent concentrations in the tested soils were below Colorado risk based screening levels and OGCC Table 910-1 allowable concentrations, demonstrating that EnCana's reserve pit management practices were appropriate and that further soil remediation was not warranted at these locations.

- c. EnCana had installed structural and non-structural practices along certain portions of its Mamm Creek Field access road network in an effort to control erosion and sediment transport. Following the August 17, 2005 inspection, EnCana installed check dams, straw rolls, gravel, silt fence and other BMPs throughout the Mamm Creek Field access road network to prevent erosion and sediment transport. In addition, every attempt is being made to keep culverts cleaned of discharged sediment; ditch lines and culvert outfalls have been armored where possible (outside of utility corridors) to prevent erosion and sedimentation; cut banks are being stabilized with vegetation and/or roll-product; roads are being graded to divert runoff into adjacent bar ditches (which have been armored); and sediment traps/basins have been placed at culvert inlet points.
 - d. The conditions observed during the August 17, 2005 inspection did not cause, were not associated with, and did not have the reasonable potential to cause or contribute to a “discharge of pollutants” as defined in §25-8-103(3), C.R.S., and the alleged violations did not contribute to the pollution, contamination or degradation of State waters.
23. Since the issuance of the NOV, EnCana has reviewed its internal procedures, conducted stormwater training sessions for its employees and taken additional steps to ensure timely compliance with the General Permit’s requirements. EnCana is deeply committed to maintaining compliance with all applicable stormwater permitting requirements, as well as all other state and federal regulations which apply to the oil and gas industry. EnCana has invested substantial time and resources, both before and since the issuance of the NOV, to diligently ensure such compliance.
24. The Division does not agree with or accept any of EnCana’s positions on the alleged violations described or referenced herein.

ORDER AND AGREEMENT

25. Based on the Division’s foregoing factual and legal determinations, pursuant to its authority under §§25-8-602 and 605 C.R.S., and in satisfaction of the alleged violations cited herein, the Division orders EnCana to comply with all provisions of this Consent Order, including all requirements set forth below.
26. EnCana agrees to the terms and conditions of this Consent Order. EnCana agrees that this Consent Order constitutes a notice of alleged violation and an order issued pursuant to §§25-8-602 and 605, C.R.S., and is an enforceable requirement of the Act. EnCana also agrees not to challenge directly or collaterally, in any judicial or administrative proceeding brought by the Division or by EnCana against the Division:
- a. The issuance of this Consent Order;
 - b. The factual and legal determinations made by the Division herein; and
 - c. The Division’s authority to bring, or the court’s jurisdiction to hear, any action to enforce the terms of this Consent Order under the Act.
27. Notwithstanding the above, EnCana does not admit to any of the factual or legal determinations made by the Division herein, and any action undertaken by EnCana pursuant to this Consent Order or previously undertaken pursuant to the Notice of Violation / Cease and Desist Order (Number: SO-060131-1) shall not constitute evidence of fault by EnCana with respect to the conditions of the Mamm Creek Field.

CIVIL PENALTY

28. Based upon the application of the Division's Stormwater Civil Penalty Policy (January 25, 2007), and consistent with Departmental policies for violations of the Act, EnCana shall pay Forty Thousand Three Hundred Thirty Eight Dollars (\$40,338.00) in civil penalties. The Division intends to petition the Executive Director, or his designee, to impose the Forty Thousand Three Hundred Thirty Eight Dollar (\$40,338.00) civil penalty for the above violation(s) and EnCana agrees to make the payment within thirty (30) calendar days of the issuance of a Penalty Order by the Executive Director or his designee. Method of payment shall be by check drawn to the order of the "Colorado Department of Public Health and Environment," and delivered to:

Michael Harris
Colorado Department of Public Health and Environment
Water Quality Control Division
Mail Code: WQCD-CADM-B2
4300 Cherry Creek Drive South
Denver, Colorado 80246-1530

ENVIRONMENTALLY BENEFICIAL PROJECT

29. In addition to all other funds necessary to comply with the requirements of this Consent Order, EnCana shall pay One Hundred Twenty Five Thousand Nine Hundred Forty Six Dollars (\$125,946.00) in the form of expenditures on an Environmentally Beneficial Project ("EBP"), which shall be the functional equivalent of a Supplemental Environmental Project ("SEP") administered in accordance with the Department's Final Agency-Wide Supplemental Environmental Project's Policy ("SEP Policy"), in order to achieve settlement of this matter.
30. EnCana's total expenditure for the EBP shall not be less than One Hundred Twenty Five Thousand Nine Hundred Forty Six Dollars (\$125,946.00). The final value of the EBP will be determined in accordance with the Department's SEP Policy. The funds will be used for a project or projects, to be approved by the Division, which improve or protect the environment. EnCana's expenditure for the EBP shall not constitute an admission of liability for the alleged violations cited herein.
31. EnCana shall submit a description of the proposed EBP for Division approval no later than thirty (30) calendar days after the effective date of this Consent Order. The submittal, at a minimum, shall outline the proposed project(s), the geographical area(s) to benefit from the project(s), a description of the expected environmental benefit(s), implementation costs and a timetable for completion. In addition, the submittal shall include a certification by EnCana that, as of the date of the submittal, it is not under any existing legal obligation to perform or develop the EBP. EnCana must further certify that it has not received, and will not receive, credit in any other enforcement action for the EBP. In the event that EnCana has, or will receive credit under any other legal obligation for the EBP, EnCana shall pay One Hundred Twenty Five Thousand Nine Hundred Forty Six Dollars (\$125,946.00) to the Division as a civil penalty within thirty (30) calendar days of receipt of a demand for payment by the Division. Method of payment shall be as specified in paragraph 28 above. The Division reserves the right to accept or deny the

EBP, or to require modifications to any provisions of the proposed project(s). If the Division denies the proposed EBP or requires modification thereof, EnCana shall develop an alternative proposed EBP for Division consideration or provide notice that the proposed EBP was modified as the Division requested within thirty (30) calendar days of receipt of written notice from the Division.

32. Upon receiving approval of the proposed EBP from the Division, EnCana shall implement the EBP in accordance with the approved time schedule. Unless otherwise approved by the Division through the EBP approval process, the EBP must be fully implemented and completed to the satisfaction of the Division by December 31, 2009.
33. EnCana shall not deduct the expenses associated with the implementation of the EBP for any tax purpose or otherwise obtain any favorable tax treatment of such payment or project.
34. In the event that the Division ultimately does not approve a proposed EBP, EnCana shall be liable for payment of a civil penalty in the amount of One Hundred Twenty Five Thousand Nine Hundred Forty Six Dollars (\$125,946.00). EnCana shall pay this penalty within thirty (30) calendar days of receipt of written demand by the Division. Method of payment shall be as specified in paragraph 28 above.
35. EnCana shall submit an EBP Completion Report to the Division within thirty (30) calendar days of the Division-approved completion date. The EBP Completion Report shall contain the following information:
 - a. A detailed description of the EBP as implemented;
 - b. A description of any operating problems encountered and the solutions thereto;
 - c. Itemized costs, documented by copies of purchase orders and receipts or canceled checks;
 - d. Certification that the EBP has been fully implemented pursuant to the provisions of this Consent Order; and
 - e. A description of the environmental and public health benefits resulting from implementation of the EBP (with quantification of the benefits and pollutant reductions, if feasible).
36. Failure to submit the EBP Completion Report with the required information, or any periodic report, shall be deemed a violation of this Consent Order.
37. In the event that EnCana fails to comply with any of the terms or provisions of this Consent Order relating to the performance of the EBP, EnCana shall be liable for penalties as follows:
 - a. Payment of a civil penalty in the amount of One Hundred Twenty Five Thousand Nine Hundred Forty Six Dollars (\$125,946.00). The Division, in its sole discretion, may elect to reduce this penalty for environmental benefits created by the partial performance of the EBP.
 - b. EnCana shall pay this penalty within thirty (30) calendar days of receipt of written demand by the Division. Method of payment shall be as specified in paragraph 28 above.
38. EnCana shall include the following language in any public statement, oral or written, making reference to the EBP: "This project was undertaken in connection with the settlement of an enforcement action taken by the Colorado Department of Public Health and Environment for violations of the Colorado Water Quality Control Act."

SCOPE AND EFFECT OF CONSENT ORDER

39. The Parties agree and acknowledge that this Consent Order constitutes a full and final settlement of the violations cited herein.
40. This Consent Order is subject to the Division's "Public Notification of Administrative Enforcement Actions Policy," which includes a thirty-day public comment period. The Division and EnCana each reserve the right to withdraw consent to this Consent Order if comments received during the thirty-day period result in any proposed modification to the Consent Order.
41. This Consent Order constitutes a final agency order or action upon the date when the Executive Director or his designee imposes the civil penalty following the public comment period. Any violation of the provisions of this Consent Order by EnCana, including any false certifications, shall be a violation of a final order or action of the Division for the purpose of §25-8-608, C.R.S., and may result in the assessment of civil penalties of up to ten thousand dollars per day for each day during which such violation occurs.
42. Notwithstanding paragraph 27 above, the violations described in this Consent Order will constitute part of EnCana's compliance history for purposes where such history is relevant. This includes considering the violations described above in assessing a penalty for any subsequent violations against EnCana. EnCana agrees not to challenge the use of the cited violations for any such purpose.
43. This Consent Order does not relieve EnCana from complying with all applicable Federal, State, and/or local laws in fulfillment of its obligations hereunder and shall obtain all necessary approvals and/or permits to conduct the activities required by this Consent Order. The Division makes no representation with respect to approvals and/or permits required by Federal, State, or local laws other than those specifically referred to herein.

LIMITATIONS, RELEASES AND RESERVATION OF RIGHTS AND LIABILITY

44. Upon the effective date of this Consent Order, and during its term, this Consent Order shall stand in lieu of any other enforcement action by the Division with respect to the specific instances of violations cited herein. The Division reserves the right to bring any action to enforce this Consent Order, including actions for penalties or the collection thereof, and/or injunctive relief.
45. This Consent Order does not grant any release of liability for any violations not specifically cited herein.
46. Nothing in this Consent Order shall preclude the Division from imposing additional requirements in the event that new information is discovered that indicates such requirements are necessary to protect human health or the environment.
47. Upon the effective date of this Consent Order, EnCana releases and covenants not to sue the State of Colorado or its employees, agents or representatives as to all common law or statutory claims or counterclaims arising from, or relating to, the violations of the Act specifically addressed herein.

48. EnCana shall not seek to hold the State of Colorado or its employees, agents or representatives liable for any injuries or damages to persons or property resulting from acts or omissions of EnCana, or those acting for or on behalf of EnCana, including its officers, employees, agents, successors, representatives, contractors, consultants or attorneys in carrying out activities pursuant to this Consent Order. EnCana shall not hold out the State of Colorado or its employees, agents or representatives as a party to any contract entered into by EnCana in carrying out activities pursuant to this Consent Order. Nothing in this Consent Order shall constitute an express or implied waiver of immunity otherwise applicable to the State of Colorado, its employees, agents or representatives.

NOTICES

49. Unless otherwise specified, any report, notice or other communication required under the Consent Order shall be sent to:

For the Division:

Colorado Department of Public Health and Environment
Water Quality Control Division / WQCD-CADM-B2
Attention: Michael Harris
4300 Cherry Creek Drive South
Denver, Colorado 80246-1530
Telephone: 303.692.3598
E-mail: michael.harris@state.co.us

For EnCana:

Byron R. Gale
EnCana Oil & Gas (USA) Inc.
370 17th Street, Suite 1700
Denver, CO 80202
Telephone: (720) 876-3626
Email: byron.gale@encana.com

MODIFICATIONS

50. This Consent Order may be modified only upon mutual written agreement of the Parties.

NOTICE OF EFFECTIVE DATE

51. This Consent Order shall be fully effective, enforceable and constitute a final agency action upon the date when the Executive Director or his designee imposes the civil penalty. If the penalty as described in this Consent Order is not imposed, or an alternate penalty is imposed, this Consent Order becomes null and void.

BINDING EFFECT AND AUTHORIZATION TO SIGN

52. This Consent Order is binding upon EnCana and its successors in interest and assigns. The undersigned warrant that they are authorized to legally bind their respective principals to this Consent Order. EnCana agrees to provide a copy of this Consent Order to any contractors and other agents performing work pursuant to this Consent Order and require such agents to comply with the requirements of this Consent Order. In the event that a party does not sign this Consent Order within thirty (30) calendar days of the other party's signature, this Consent Order becomes null and void. This Consent Order may be executed in multiple counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same Consent Order.

FOR ENCANA OIL & GAS (USA) INC.:

Byron R. Gale Date: NOVEMBER 18, 2008.
Byron R. Gale, Attorney-in-Fact

FOR THE COLORADO DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT:

Lori M. Gerzina Date: 11/24/08
Lori M. Gerzina, Section Manager
Compliance Assurance and Data Management Section
WATER QUALITY CONTROL DIVISION