

Description **Amended and Restated Cutbank Ridge Partnership Agreement**Type Of
Contract**JOINT VENTURE AGREEMENT**Executed: **Yes**Assignment Procedure: **N/A**

Dates

Contract: **2012-FEB-24**Effective: **2012-FEB-24**Execution: **2012-FEB-24**

Termination:

Holding Co: **Encana Corporation**

Business Unit:

CUTBANK RIDGE

Project:

**DAWSON CREEK
TUMBLER RIDGE**

Prospect:

**69842 CUTBANK RIDGE BC
400000 GORDONDALE
69846 SATURN
69844 SWAN**

Operator:

Encana Corporation

Prepared by:

Negotiated by:

Limitations Act:

N/A

Remarks:

Document Reference

Type

2011 PASC

Number

2011 PASCOriginal Parties
Role

Name

**Encana Corporation
Cutbank Dawson Gas Resources Ltd.
Encana Cutbank Ridge Holdings Ltd.**

Percent

0.0000000**0.0000000****0.0000000**Current Parties
Role

Name

**Encana Corporation
Cutbank Dawson Gas Resources Ltd
Encana Cutbank Ridge Holdings Ltd**

General Summary

PURPOSE**Encana Corporation and Encana Cutbank Ridge Holdings Ltd. entered into the Cutbank Ridge Partnership Agreement on Dec 5/2011 and converted their Partnership Interests to Partnership Units.****2012-AUG-16****Encana, Encana CR Holdings and Cutbank Dawson Gas Resources Ltd. (CDGR) wish to amend and restate Original CR Partnership Agreement and enter into this Agreement for purpose of setting out rights, duties and obligations of Partners to one another and to the Partnership.****OPERATOR****Encana has been initially appointed as Operator.****2012-AUG-16****REMARKS****Article 6 - Powers, Rights & Duties of Managing Partner:
Encana is appointed as Managing Partner & Encana accepts appointment.****2012-AUG-16****REMARKS****Article 24 - Dispositions
Clause 24.5 for Right of First Offer (ROFO)****2012-AUG-23****REMARKS****Mitsubishi Corporation and its Affiliates shall be deemed to be Affiliates of CDGR.****2012-AUG-16****Partnership shall not be deemed to be an Affiliate of Encana or any Affiliate of Encana. Partnership means general partnership formed Nov 8/11 by Encana & Encana CR Holdings.****RELATED AG****Adjacent Interests Agreement (C018132) means the agreement dated as of even date between Encana, in its capacity as owner of Excluded Well Interests (as that term is defined therein) and certain Midstream Infrastructure, and the Partnership.****2012-AUG-16****RELATED AG****Area of Mutual Interest Agreement (C018245) means the agreement dated as of even date between Encana, Encana CR Holdings and CDGR.****2012-AUG-16****REMARKS****SCHEDULES attached to agreement:
Schedule A, Approved Annual 5 year Dev. Plan for 2012-2016:
Schedule A1, Cutbank Cadomin
Schedule A2, Cutbank Montney
Schedule A3, Dawson Saturn
Schedule A4, Dawson Swan
Schedule A5, Steeprock Doig
Schedule B, Development Area Map
Schedule C, Approved Dev. Area Annual Work Programs & Budgets for 2012:
Schedule C1, Cutbank Cadomin
Schedule C2, Cutbank Montney
Schedule C3, Dawson Saturn
Schedule C4, Dawson Swan
Schedule C5, Steeprock Doig
Schedule D, Accounting Procedure & Cost Allocation Principles
Schedule E, Dispute Resolution Procedure
Schedule F, Midstream Provisions
Schedule G, Form of SP Unit Acquisition Agmt
Schedule H, Form of Default Acquisition Note
Schedule I, Form of Parent Guarantee
Schedule J, Restricted Seismic Data****2012-AUG-16**dw
mar 11/13

	Schedule K, Form of Confidentiality Agmt for Approved Indirect Dispositions Schedule L, List of CRP Transaction Agmts	
REMARKS	Pursuant to Asset Exchange Agreement dated August 13, 2012 Between Encana Corporation (Encana) & Cutbank Ridge Partnership (CRP), Encana Sold Assets to CRP (93-P-9, BLK A, Units 18, 19, 28, 29, PNG TBO Kiskatinaw (M043529A) in Dawson Creek, and Encana Acquired Assets from CRP in Dawson Creek (81-15 W6M, 4, All PNG, M086232), Effective August 13, 2012, Closed August 13, 2012, A002221.	2012-AUG-23
REMARKS	Aug 2/12, Under JOA (C003781) Cutbank Ridge Partnership by its managing partner Encana Corporation served Independent Operations Notice to drill ECA CRP et al HZ Brassey C-84-D/93-P-10 to ConocoPhillips Canada (BRC) Partnership. Aug 31/12 Conoco elected non-participation & has forfeited their entire 50% working interest in certain Lands. Test Well Spacing Unit are Leases 60386 (M087345) 93-P-10/D, Units 96, 97 & 93-P-10/E, Units 6, 7, base Cadomin-Dunlevy-Nik TBO base Montney, excl Montney Basal Lag & 60384 (M087347) 93-P-10/D, Units 74, 75, 84, 85, 94, 95 & BLK E, Units 4, 5 base Cadomin-Dunlevy-Nik TBO Artex-Halfway-Doig. Balance of Lands in Lease 60385 (M087316) 93-P-10/D, Units 54, 55, 64, 65, 76, 77, 86, 87 base Cadomin-Dunlevy-Nik TBO Montney, exc. PNG in Montney Basal Lag. Interest in well is also subject to production penalty on production from PNG Lease 62409 (M109743).	2012-SEP-11
REMARKS	Jul 30/12, Under JOA (C003781) Cutbank Ridge Partnership by its managing partner Encana Corporation served Independent Operations Notice to drill ECA CRP et al HZ Brassey D-41-D/93-P-10 to ConocoPhillips Canada (BRC) Partnership. Aug 29/12 Conoco elected non-participation & has forfeited their entire 50% working interest in certain Lands for Lease 60385 (M087316). 93-P-10, BLK D, Units 31, 41, & BLK C, Units 38 - 40, 48 - 50 PNG base Cadomin-Dunlevy-Nikanassin TBO Montney excl. PNG in Montney Basal Lag, for Test Well Spacing Unit. BLK C, Units 36, 37, 46, 47 & BLK D, Units 32, 33, 42, 43 PNG base Cadomin-Dunlevy-Nikanassin TBO Montney excl. PNG in Montney Basal Lag form balance of lands.	2012-SEP-11
REMARKS	As per Wellbore Conveyance Agmt (A002236) effective November 7, 2012, Encana Corporation sold its interest in WB 100/04-30-080-17W6/00 (Well Name: ECA HZ SUNRISE 1-36-80-18, Licence# 026902) to Cutbank Ridge Partnership 100%. Well previously linked to C018132, is now linked to C018272.	2012-NOV-13
REMARKS	Oct 3/12, Under JOA (C003781) Cutbank Ridge Partnership by its managing partner Encana Corporation served Independent Operations Notice to drill ECA CRP et al HZ Sundown B-15-H/93-P-7 to ConocoPhillips Canada (BRC) Partnership. Nov 1/12 Conoco elected non-participation & has forfeited their entire 30% working interest in certain Lands for Lease 60493 (M087225), 93-P-7, BLK A, Units 98, 99 & BLK H, Units 8, 9, PNG to base Cadomin-Dunlevy-Nikanassin form test Well Spacing Unit. 93-P-7, BLK A Units 78, 79, 88, 89 & BLK H, Units 18, 19, 28, 29; and Lease 60339 (M087224) 93-P-7, BLK B, Unit 72, 73, 82, 83, PNG from base Paddy-Cadotte-Harmon to base Cadomin-Dunlevy-Nikanassin form balance of lands.	2012-NOV-19
REMARKS	Encana successfully bid Leases 64399 64400 at Land sale for Water Hub-related lands. Lands acquired on behalf of CRP. ECA was reimbursed for \$1,039,581.94 (\$1,039,319.44 land sale costs and \$262.50 broker costs) via wire transfer on Oct. 31, 2012.	2012-NOV-29
REMARKS	100% CRP Lands moved from C016248 effective Feb 24/12 (M092503D, M082762B and C).	2013-JAN-25
REMARKS	100% CRP Lands moved from C016256 effective Feb 24/12 (M110328A, C, E, and M110262A).	2013-JAN-25
REMARKS	100% CRP Lands moved from C008372 effective Feb 24/12 (M083833A).	2013-JAN-25
REMARKS	100% CRP Lands moved from C016268 effective Feb 24/12 (M156405A, B, C).	2013-JAN-28
REMARKS	100% CRP Lands moved from C014510 effective Feb 24/12 (M082700B and M082701A).	2013-JAN-28
REMARKS	Pursuant to Conveyance and Contribution Agreement (A002241), and effective October 11, 2012, Encana acquired 077-16W6: Sec 25 on behalf of CRP. Section 25 removed from "AMI Lands" tab in C018245, and Sec 25 also moved to C018272 to govern the lands.	2013-MAR-04
Contract Lands Lease(s)	Land Description	Governing Contract
M094675A	NTS 93-P-9 BLK F UNIT 53-59, FR 63, FR 64, FR 65, FR 66, FR 67, FR 68, FR 69 T 76 R 15 W6M FR N 31, FR N 32 T 76 R 16 W6M FR N 36 T 77 R 15 W6M 5-6 T 77 R 16 W6M 1 CONFIDENTIAL BROKER HELD LANDS - DO NOT DISCLOSE ANY INFORMATION P&NG to Base MONTNEY FORMATION Excluding P&NG In MONTNEY BASAL LAG Coal Bed Methane to Base MONTNEY FORMATION Excluding Coal Bed Methane In MONTNEY BASAL LAG	C018272 JOINTVENT

M043355D	T 77 R 16 W6M 10, 26 P&NG to Base CADOTTE Coal Bed Methane to Base CADOTTE	C018272 JOINTVENT
M043355J	T 77 R 16 W6M 10 P&NG From Base CADOTTE To Base MONTNEY FORMATION Coal Bed Methane From Base CADOTTE To Base MONTNEY FORMATION Excluding P&NG In MONTNEY BASAL LAG Excluding Coal Bed Methane In MONTNEY BASAL LAG	C018272 JOINTVENT
M080635A	T 77 R 16 W6M 11 CONFIDENTIAL BROKER HELD LANDS - DO NOT DISCLOSE ANY INFORMATION P&NG From Base ARTEX-HALFWAY-DOIG To Base MONTNEY FORMATION Coal Bed Methane From Base ARTEX-HALFWAY-DOIG To Base MONTNEY FORMATION Excluding P&NG In MONTNEY BASAL LAG Excluding Coal Bed Methane In MONTNEY BASAL LAG	C018272 JOINTVENT
M043355A	T 77 R 16 W6M 12, 13, 14, 23, 24 P&NG From Base CADOTTE To Base MONTNEY FORMATION Coal Bed Methane From Base CADOTTE To Base MONTNEY FORMATION Excluding P&NG In MONTNEY BASAL LAG Excluding Coal Bed Methane In MONTNEY BASAL LAG	C018272 JOINTVENT
M043355E	T 77 R 16 W6M 12, 13, 14, 23, 24 P&NG to Base CADOTTE Coal Bed Methane to Base CADOTTE	C018272 JOINTVENT
M043355F	T 77 R 16 W6M 15, 22 P&NG to Base CADOTTE Coal Bed Methane to Base CADOTTE	C008372 FARMOUT
M043355I	T 77 R 16 W6M 15, 22 P&NG From Base CADOTTE To Base MONTNEY FORMATION Coal Bed Methane From Base CADOTTE To Base MONTNEY FORMATION Excluding P&NG In MONTNEY BASAL LAG Excluding Coal Bed Methane In MONTNEY BASAL LAG	C018272 JOINTVENT
M165583A	T 77 R 16 W6M 25 CONFIDENTIAL BROKER HELD LANDS - DO NOT DISCLOSE ANY INFORMATION All P&NG All Coal Bed Methane	C018272 JOINTVENT
M043355C	T 77 R 16 W6M 26 P&NG From Base CADOTTE To Base MONTNEY FORMATION Coal Bed Methane From Base CADOTTE To Base MONTNEY FORMATION Excluding P&NG In MONTNEY BASAL LAG Excluding Coal Bed Methane In MONTNEY BASAL LAG	C018272 JOINTVENT
M043666G	T 77 R 16 W6M 28 P&NG to Base CADOTTE Coal Bed Methane to Base CADOTTE	C008372 FARMOUT
M043666A	T 77 R 16 W6M 29, 32 P&NG From Base CADOTTE To Base MONTNEY FORMATION Excluding P&NG In MONTNEY BASAL LAG Coal Bed Methane From Base CADOTTE To Base MONTNEY FORMATION Excluding Coal Bed Methane In MONTNEY BASAL LAG	C018272 JOINTVENT
M043666F	T 77 R 16 W6M 29, 32 T 78 R 16 W6M 10 P&NG to Base CADOTTE Coal Bed Methane to Base CADOTTE	C018272 JOINTVENT
M043666E	T 77 R 16 W6M 27, 33, 34 T 78 R 16 W6M 4, 5 P&NG to Base CADOTTE Coal Bed Methane to Base CADOTTE	C018272 JOINTVENT
M043613C	T 77 R 16 W6M 35 T 78 R 16 W6M 11 P&NG to Base CADOTTE Coal Bed Methane to Base CADOTTE	C018272 JOINTVENT
M043613A	T 77 R 16 W6M 35 T 78 R 16 W6M 2, 11 P&NG From Base CADOTTE To Base MONTNEY FORMATION Excluding P&NG In MONTNEY BASAL LAG Coal Bed Methane From Base CADOTTE To Base MONTNEY FORMATION Excluding Coal Bed Methane In MONTNEY BASAL LAG	C018272 JOINTVENT
M159252A	93-P-10 BLK G UNIT 52-53, FR 62, FR, 63 T 76 R 18 W6M FR N 36 T 77 R 18 W6M 1 P&NG to Base BASAL MONTNEY LAG BELLOY STODDART Coal Bed Methane to Base BASAL MONTNEY LAG BELLOY STODDART	C016937 AGREE
M084363B *T*	T 77 R 18 W6M 11 P&NG Below Base MONTNEY FORMATION Coal Bed Methane Below Base MONTNEY FORMATION	C016937 AGREE

Subgroup: **100% CRP Wellbore - ECA to CRP (A002236)**

Wells: **100/04-30-080-17W6/00 ECA CRP HZ SUNRISE 1-36-80-18 MONTNEY FM CAPABLE GAS**

DOI: **Well Interest** Accounts: **Default**

WORK INT

ECA to CRP

Cutbank Ridge Partnership 100.0000000 O

100.0000000

Eff. date: 2012-NOV-07

Obit. date:

DOI Notes: Column 1 - As per Wellbore Conveyance Agmt (A002236) effective November 7, 2012, Encana Corporation sold its interest in WB 100/04-30-080-17W6/00 (Well Name: ECA HZ SUNRISE 1-36-80-18, Licence# 026902) to Cutbank Ridge Partnership 100%. Well is now linked to C018272.

Subgroup: **100% CRP lands - moved from C018245 (A002241)**

Land:

M165583A

**T 77 R 16 W6M 25
CONFIDENTIAL BROKER HELD LANDS - DO NOT
DISCLOSE ANY INFORMATION
All P&NG
All Coal Bed Methane**

Lessor Royalty:

**CR OIL SS Based on 100% of
Production CR GAS SS Based on
100% of Sales CR COALBED
METHANE SS Based on 100% of
Sales**

DOI: **Working Interest** Accounts: **Default**

WORK INT

ECA to CRP

Cutbank Ridge Partnership 100.0000000 O

100.0000000

Eff. date: 2012-OCT-11

Obit. date:

DOI Notes: Column 1 - Pursuant to Conveyance and Contribution Agreement (A002241), and effective October 11, 2012, Encana acquired 077-16W6; Sec 25 on behalf of CRP. Section 25 removed from "AMI Lands" tab in C018245, and Sec 25 also moved to C018272 to govern the lands.

Subgroup: **Water Hub Lands (land sale: Oct 10, 2012)**

Land:

M165581A

**T 78 R 16 W6M 29-30, 32
T 78 R 17 W6M 14-15, 22-23, 25-26, 36
CONFIDENTIAL BROKER HELD LANDS - DO NOT
DISCLOSE ANY INFORMATION
P&NG to Base PADDY-CADOTTE-HARMON
Coal Bed Methane to Base PADDY-CADOTTE-HARMON**

Lessor Royalty:

**CR OIL SS Based on 100% of
Production CR GAS SS Based on
100% of Sales CR COALBED
METHANE SS Based on 100% of
Sales**

M165581B

**T 78 R 16 W6M 31
CONFIDENTIAL BROKER HELD LANDS - DO NOT
DISCLOSE ANY INFORMATION
Actual formation is Dunvegan-Fish Scales Zone
P&NG From Base DUNVEGAN To Base
PADDY-CADOTTE-HARMON
Coal Bed Methane From Base DUNVEGAN To Base
PADDY-CADOTTE-HARMON**

**CR OIL SS Based on 100% of
Production CR GAS SS Based on
100% of Sales CR COALBED
METHANE SS Based on 100% of
Sales**

M165582A

**T 79 R 16 W6M 4, 7-9
T 79 R 17 W6M 1-2
CONFIDENTIAL BROKER HELD LANDS - DO NOT
DISCLOSE ANY INFORMATION
P&NG to Base PADDY-CADOTTE-HARMON
Coal Bed Methane to Base PADDY-CADOTTE-HARMON**

**CR OIL SS Based on 100% of
Production CR GAS SS Based on
100% of Sales CR COALBED
METHANE SS Based on 100% of
Sales**

M165582B

**T 79 R 16 W6M 5-6
CONFIDENTIAL BROKER HELD LANDS - DO NOT
DISCLOSE ANY INFORMATION
Actual zone = Dunvegan-Fish Scales Zone
P&NG From Base DUNVEGAN To Base
PADDY-CADOTTE-HARMON
Coal Bed Methane From Base DUNVEGAN To Base
PADDY-CADOTTE-HARMON**

**CR OIL SS Based on 100% of
Production CR GAS SS Based on
100% of Sales CR COALBED
METHANE SS Based on 100% of
Sales**