DISTRICT COURT, CITY AND COUNTY OF DENVER, COLORADO City and County Building, Room 256 1437 Bannock Street Denver, CO 80202	
Plaintiff: RAYMOND AND SALLY MILLER, ET AL., on behalf of themselves and all others similarly situated, v. **Defendant:** ENCANA OIL & GAS (USA) INC.	▲ **COURT USE ONLY** ▲ Case Number: 05 CV 2753 Courtroom: 19

FINAL JUDGMENT AND ORDER OF DISMISSAL WITH PREJUDICE

THIS MATTER comes before the Court upon the "Motion for Entry of Final Judgment and Order" filed by the Plaintiff-Class Representatives Raymond and Sally Miller, *et al*., and Defendant EnCana Oil & Gas (USA) Inc. ("EnCana"). The Court, being fully advised of the premises of the Motion, FINDS:

A. On April 3, 2008, the Parties filed a Joint Motion for Preliminary Approval of Settlement (the "Joint Motion") seeking preliminary approval of a settlement between EnCana and a Class of persons and entities that this Court certified on May 30, 2006, except for those persons and entities that opted out of the Class. The Court defined the Class as follows:

> All persons and entities to whom EnCana and its predecessors by merger have paid royalties or overriding royalties (collectively, "Royalties") on natural gas produced from wells located in Colorado ("EnCana wells"), according to the business records maintained by EnCana, pursuant to leases or overriding royalty agreements that do not expressly authorize the deduction of costs incurred to market such gas after it is severed from the wellhead (collectively, "Royalty Agreements"). The defined Class excludes (1) persons or entities who have reached settlement agreements with EnCana relating to Colorado natural gas royalty underpayment claims with respect to the production affected by such settlements; (2) persons and entities who are working interest owners in an EnCana well on whose behalf EnCana has paid royalties for gas production; (3) Indian tribes; (4) the United States of America; (5) the State of Colorado; (6) U.S. AgBank, FCB,

f/k/a Farm Credit Bank of Wichita; (7) Anadarko Petroleum Corporation, as successor-in-interest to Union Pacific Resources Company; and (8) EnCana, EnCana's affiliates, EnCana's predecessors-in-interest, and their respective employees, officers and directors.

B. The Joint Motion attached as an exhibit a Settlement Agreement (the "Agreement") describing the claims that are being settled (defined as the "Settled Claims"), setting forth the terms of the Parties' settlement, and incorporating the terms of this Final Judgment and Order of Dismissal with Prejudice (the "Final Judgment"). The Agreement, with all of the final exhibits, is attached hereto as Exhibit 1 and its terms are incorporated into this Final Judgment as if fully set forth herein. The Agreement and Final Judgment shall be referred to collectively herein as the "Settlement."

C. After a hearing on the Parties' Joint Motion, this Court entered an Order dated April 11, 2008 (the "Preliminary Order") preliminarily approving the Settlement and directing that notice of the proposed Settlement be mailed and published to the Class. On April 30, 2008, the Court entered a supplemental Order approving the notice procedure for certain Class members ("Modified Notice Order"). The Court also set a hearing for August 1, 2008 to determine whether the proposed Settlement should be approved as fair, reasonable, and adequate.

D. In accordance with the Court's Preliminary Order and Modified Notice Order, Class Counsel caused to be mailed to members of the Class (for whom EnCana had addresses available from its accounting records) Notices in the forms approved by the Court in the Preliminary Order and Modified Notice Order, and caused to be published a summary Notice of the proposed settlement of this action in the form and manner approved by the Court in the Preliminary Order. Class Counsel subsequently filed affidavits which demonstrate compliance with the Preliminary Order and Modified Notice Order. The Court finds that the Notice provided to Class Members constituted the best and most practicable notice under the circumstances and included individual notice to all Class Members who could be identified by reasonable effort, thereby complying fully with due process and Rule 23 of the Colorado Rules of Civil Procedure.

E. On August 1, 2008, the Court held a hearing on the proposed Settlement, at which time all interested persons were given an opportunity to be heard. Furthermore, the Court has read and considered all submissions in connection with the Settlement. Having done so, the Court has determined that approval of the Settlement will result in substantial savings in time and money to the litigants and the Court and will further the interests of justice, and that the Settlement is the product of good faith, arm's-length negotiations between the Parties, including a mediation under the supervision of an impartial mediator, former Judge Richard W. Dana.

NOW, THEREFORE, GOOD CAUSE APPEARING, IT IS HEREBY ORDERED, ADJUDGED AND DECREED THAT:

1. The Agreement, including the terms defined therein, is incorporated herein.

2. The Settlement was made in good faith and its terms are fair, reasonable, and adequate as to the Class. Therefore, the Settlement is approved in all respects, and shall be binding upon, and inure to the benefit of, all Class Members, who are identified in Exhibit A to the Agreement, attached hereto as Exhibit 1.

3. The Class Members bound by this Settlement do not include those persons and entities who elected to opt out in response to the Notice of Certification of Class Action Against Defendant EnCana Oil & Gas (USA) Inc. A list of individuals and entities who opted out is Exhibit A-1 to the Agreement, attached hereto as Exhibit 1. Those individuals and entities may pursue their own individual remedies, if any, as to any of the Settled Claims.

4. Mutual Releases, Covenants and Warranties.

a. Release by EnCana. Upon the occurrence of the Approval Event as defined in the Agreement and release of the Settlement Funds from the Escrow Account pursuant to Paragraph 7(b) of this Final Judgment, EnCana, for itself and its agents, officers, directors, parents, subsidiaries, affiliates, predecessors in interest, successors and assigns, fully and forever releases and discharges Class Members, and each of them, as well as their respective heirs, agents, officers, directors, parents, subsidiaries, affiliates, partners, members, predecessors in interest, successors and assigns ("Class Members' Additional Released Parties"), from any and all Settled Claims, except for rights and obligations created by the Agreement.

b. Release by Class Members. Upon the occurrence of the Approval Event and release of the Settlement Funds from the Escrow Account pursuant to Paragraph 7(b) of this Final Judgment, Plaintiffs and Class Members, and each of them, for themselves and their respective heirs, agents, officers, directors, parents, subsidiaries, affiliates, partners, members, predecessors in interest, successors and assigns, fully and forever releases and discharges EnCana, and its agents, officers, directors, parents, subsidiaries, affiliates, predecessors in interest, successors and assigns ("EnCana's Additional Released Parties"), as well as the Other Working Interest Owners, from any and all Settled Claims, except for the rights and obligations created by the Agreement.

5. This action and any and all claims, actions or causes of action alleged by the Plaintiffs in the Civil Action, individually and on behalf of the Class Members against EnCana, are dismissed as to EnCana and the Other Working Interest Owners as defined in the Agreement, on the merits and with prejudice.

6. Neither this Final Judgment, nor the Agreement, nor any document referred to herein, nor any action taken in connection with the Settlement, may be used as an admission by or against EnCana of any fact, claim, assertion, matter, contention, fault, culpability, obligation, wrongdoing or liability whatsoever. The Agreement and its exhibits may be filed in this action or related litigation as evidence of the Parties' settlement, or in any subsequent action against or

by Class Members or EnCana to support a defense of res judicata, collateral estoppel, release, or other theory of claim preclusion, issue preclusion or similar defense.

7. Allocation of the Settlement Funds shall be as follows:

a. The proportionate interest of individuals and entities entitled to receive a portion of the Settlement Funds shall be the amounts set forth in the Preliminary Allocation Schedule previously submitted to the Court.

b. Within 30 days from the entry of this Final Judgment, Class Counsel shall submit a report to the Court identifying the proportionate monetary share of the Net Settlement Funds attributable to each Class Member, based upon the amounts set forth in the Preliminary Allocation Schedule previously submitted to the Court. For purposes of this Settlement, the term "Net Settlement Funds" shall mean the Settlement Funds as set forth in the Agreement, less all amounts awarded pursuant to Paragraphs 10, 11 and 12 of this Final Judgment. Class Counsel shall distribute the Net Settlement Funds to the individuals and entities identified in their report within 60 days after the Approval Event. Within 15 days thereafter, Class Counsel shall submit a report to the Court advising that they have mailed checks to the individuals and entities identified in their report in the amounts set forth in that report.

c. No sooner than 180 days and no later than 210 days after the Approval Event, Class Counsel shall submit a report to the Court identifying all Class Members who have not yet cashed the checks sent to them, including a list of Class Members whose checks have been returned as undeliverable. EnCana will reasonably cooperate with Class Counsel in an effort to obtain current addresses for those Class Members who have not yet cashed the checks sent to them pursuant to the Settlement. Within 30 days after receiving these new addresses, Class Counsel shall resend new checks to any new addresses obtained. Any portion of the Net Settlement Funds unclaimed after 150 days from the date that Class Counsel resends the checks to the new addresses shall be returned to EnCana in accordance with the wiring instructions set forth in the Escrow Agreement; provided that EnCana shall remain obligated, subject to applicable statutes of limitation, to pay the amount of the uncashed distribution check to the affected Settlement Class member promptly upon receipt of a written request for such payment.

d. Except as provided in paragraph 7(c) above, EnCana is not liable for the allocation or distribution of the Settlement Funds in accordance with the terms of this Settlement. EnCana is not responsible for, and has had no part in determining, the allocation formulas described in Paragraphs 7(a) and (b) above, and any omissions from, errors in, or challenges to the allocation shall not result in an increase of the Settlement Funds paid by EnCana.

8. For production of Natural Gas (as that term is defined in the Agreement) occurring from the Leases on and after January 1, 2009 and continuing for the respective lives of the Leases, EnCana (and its successors) shall calculate and pay Class Members (and their successors) royalties as set forth in the Agreement at paragraph 10.

a. The revised method of calculating royalties set forth in the Agreement at paragraph 10 does not affect the provisions of the Leases, if any, relating to EnCana's free use of natural gas and liquids or any other provision of the Leases, except to the extent necessary to conform the royalty payments due Class Members to the valuation methods set forth in the Agreement at paragraphs 10(a) through (g).

b. This Final Judgment, including but not limited to the provisions for payment of royalty on production occurring from the Leases on and after January 1, 2009, shall run with the land and shall be binding upon and inure to the benefit of EnCana and the Class Members and their respective agents, officers, directors, joint venturers, partners, members, heirs, personal representatives, successors and assigns, with respect to both the current interests owned by EnCana and Class Members and any additional interest that either EnCana or Class Members acquire under the Leases. The Agreement and this Final Judgment shall apply to the undivided interest owned by EnCana in each Lease or any interest subsequently acquired by EnCana or a Class Member under each Lease. Neither the Agreement nor this Final Judgment shall be construed to amend any lease in which both EnCana and any Class Member did not own an interest on or before March 1, 2008. Neither this Final Judgment nor the Agreement will be interpreted or construed as preventing or limiting EnCana's ability, at its sole discretion and without notice to the Class Members, to enter into new gathering, transportation, processing, or marketing arrangement relating to the Leases. Nothing in the Agreement or this Final Judgment shall operate or be construed as a cross-conveyance or pooling of the Leases which in any manner affects the right of any separate Class Member to deal with their separate property interests in the Leases as their sole and separate property without regard to the rights or interests of any other separate Class Member.

c. The Agreement at paragraph 10 expressly describes the allocation of post-wellhead expenses between EnCana and the Class Members. Neither the Agreement nor this Final Judgment supersedes or nullifies any applicable division order, pooling agreement or unitization agreement in existence on the date of this Final Judgment, except to the extent that the terms of such instruments directly conflict with the Agreement, in which case the terms of the Agreement shall prevail.

d. In addition to royalties and/or overriding royalties calculated and paid by EnCana in satisfaction of its own royalty obligations under the Leases, the method for calculating and paying royalties as set forth in the Settlement, including but not limited to the method set forth in paragraph 10 of the Agreement, also shall apply to EnCana's calculation and payment of the royalties and/or overriding royalties that it distributes on behalf of Other Working Interest Owners with working interests in the Leases.

e. In the event of a dispute over EnCana's payment of royalty under the Agreement at paragraph 10, such dispute will be resolved in an arbitration administered by the Judicial Arbiter Group ("JAG"), with the Honorable Richard W. Dana as Arbitrator. The arbitration will be conducted in accordance with the rules (but not under the administrative auspices) of the American Arbitration Association then in effect. If Judge Dana is unable to

serve as Arbitrator, the Arbitrator will be designated by JAG from among its panel of Arbitrators. If JAG no longer exists, the Parties will attempt to agree on an arbitrator, and if unable to do so, arbitration will be conducted under the rules of the American Arbitration Association then existing.

9. All costs of administering this Settlement shall be borne by Class Members and advanced by Class Counsel (subject to reimbursement as provided in Paragraph 10 below).

10. The Court finds that the eight Class Representatives have made significant contributions in this litigation, and therefore the eight Class representatives are awarded, all from the Settlement Funds, incentive payments in the total amount of $67,500, to be allocated as follows: (1) Raymond Miller - $7,500; (2) Sally Miller - $7,500; (3) Barclay Farms, LLC - $10,000; (4) Joan Elaine Brehon - $7,5000; (5) Janette Foote - $7,500; (6) Niles Miller - $7,500; (7) U.S. Bank, NA, as Trustee for the T.E. McClintock Trust and as Trustee for the Edwin Miller Trust - $7,500; and (8) White River Royalties, LLC - $12,500.

11. Class Counsel are awarded, all from the Settlement Funds, reimbursement of litigation expenses incurred through June 10, 2008, and reasonably anticipated additional expenses which will be incurred by Class Counsel in the completion of this litigation, in the total amount of $286,524.00. The Court, having reviewed Class Counsel's request for litigation expenses, finds that the requested litigation expenses are the type typically billed by attorneys to paying clients in the marketplace, that the amounts of the requested litigation expenses are reasonable and equitable, and that such litigation expenses have reasonably been incurred by Class Counsel, or will be reasonably incurred in their further handling of this class action litigation. Class Counsel have submitted sufficient documentation in support of their request for litigation expense reimbursements to permit the Court to find that such expenses were necessarily and reasonably incurred.

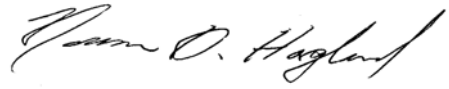
12. Class Counsel are awarded, all from the Settlement Funds, attorneys' fees in the amount of $13,215,325, representing one-third of the net Settlement Fund, after subtraction of the $286,524.00 in litigation expense reimbursements awarded by the Court, and after subtraction of the Class Representative incentive payments awarded by the Court in the amount of $67,500.00. The foregoing amounts shall be distributed to Class Counsel from the Settlement Funds pursuant to the terms of the Escrow Agreement, and contemporaneously with the release of the net Settlement Funds for distribution pursuant to Paragraph 7 above. Interest which has accrued on the Settlement Funds through the date of this Order shall be included in the net Settlement Fund to be distributed to the Settlement Class Members and thereafter shall be allocated proportionately to the Net Settlement Fund and the attorneys' fees, litigation expenses and incentive payments awarded.

13. The Court reserves jurisdiction, without affecting the finality of this Final Judgment, over (a) implementing, administering and enforcing this Settlement and any award or distribution from the Settlement Funds; (b) disposition of the Settlement Funds; and (c) other matters related or ancillary to the foregoing.

14. Nothing set forth in this Final Judgment shall be construed to modify or limit the terms of the Agreement, but rather, the Agreement and Final Judgment are to be construed together as one Settlement between the Parties.

SO ORDERED.

DATED this 26th day of August, 2008.



Judge Norman D. Haglund
Denver District Judge