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## SURFACE DAMAGE AGREEMENT

THIS SURFACE DAMAGE AGREEMENT (this "Agreement") is entered into this 15th day of December, 2007, by and between Jerry L. Soehner & Cheryl L. Soehner, 15520 County Rd. PP, Wray, CO 80758 ("Owner"), the owner of the surface estate in ALL of , Section 10, Township 3 South, Range 42 West, 6<sup>th</sup> P.M. (the "Property"), and Petroleum Development Corporation ("PDC").

For and in consideration of PDC's agreement to pay Owner prior to commencing the Operations referred to below, if it determines to conduct such Operations, the sum of [REDACTED] (the "Surface Damage Payment") per drill site. Owner hereby releases and discharges PDC, its agents, employees and contractors (the "PDC Group") from and against any claims by Owner for surface damages of whatsoever nature and character growing out of, incident to, or in connection with the drilling and completing by the PDC Group of the following oil and gas well (the "Well") or the plugging and abandoning such Well as a dry hole (the "Operations"):

Well Names: Soehner #14-10✓ Soehner #43-10✓ Soehner #23-10✓  
Soehner # 33-10✓ Soehner #41-10✓ Soehner #31-10✓ Soehner #32-10✓ soehner #13-10✓  
Soehner #42-10✓ Soehner #22-10✓ Soehner #34-10✓

Legal Location: Township 3 South, Range 42 West, 6<sup>th</sup> P.M.  
Section 10: ALL  
Yuma County, CO

Subject to receipt of the Surface Damage Payment, Owner hereby gives, grants and conveys unto the PDC Group, the right to use the Property for all purposes necessary for the PDC Group to perform the Operations and all rights incident and appurtenant thereto, including the right of unimpeded ingress and egress across the Property to access the Well.

The Surface Damage Payment shall not compensate Owner for damages to improvements on Owner's land, including, without limitation, damages to buildings, fences, gates, livestock and crops and other extraordinary losses or damages caused by the PDC Group. PDC agrees to compensate Owner promptly for such extraordinary losses and damages upon mutually agreeable terms.

Owner shall have the responsibility of notifying any affected tenant, lessee or other party who may own or have an interest in any crops or surface improvements which could be affected by the Operations. Owner agrees that all damages claimed by a surface tenant, lessee or other party having an interest, resulting from the Operations shall be settled by Owner and Owner shall indemnify and hold the PDC Group harmless from and against any such claims.

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PDC agrees to perform all necessary interim reclamation work so the land affected by the Operations is restored as nearly as commercially practicable to the original contour and vegetative state.

Concerning any matter relating to the Operations, Owner may contact:

Operator: Petroleum Development Corporation  
Person to Contact: Seth Chappell  
Address: 36621 Highway 385  
Wray, Colorado 80758  
Phone Number: 970 332-3520  
Fax: 970 332-3521

Or  
C/o Joe Kelloff  
Petroleum Development Corporation  
1775 Sherman Street, Suite 3000  
Denver, CO. 80203  
Phone Number: (303) 860-5800

Commencement of the Operations with heavy equipment is estimated to begin on January 5, 2008.

Owner acknowledges that they have consulted with PDC, concerning roads and location of roads, and the necessary production facilities and the location and size of the well site for the Well, or hereby waives such consultation requirements. Owner also acknowledges that Owner had an opportunity to comment to PDC regarding preferences for the timing of the Operations and preferred locations for the Well and associated facilities Owner has requested that all consultations be conducted directly with Owner and Tenant.

#### VARIATIONS AS FOLLOWS:

The parties further agree as follows:

- Remove topsoil prior to excavating area.
- Fence off pits if cattle are present


This Agreement shall extend to and bind Owner and PDC, and their respective heirs, personal representatives, successors and assigns.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date referred to above.

OWNER:

  
Beulah M. Soehner

Petroleum Development Corporation

  
By: Jere A. Pugh (Agent)

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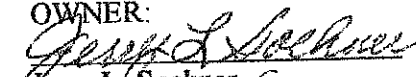
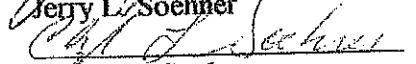
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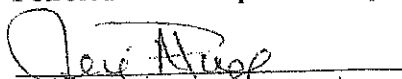
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OWNER:

  
Jerry L. Soehner  
  
Cheryl L. Soehner

Petroleum Development Corporation

  
By: Jere A. Pugh (Agent)