

EASEMENT, RIGHT-OF-WAY  
and  
SURFACE USE AGREEMENT

This Easement and Surface Use Agreement ("Agreement") is entered into this 14<sup>th</sup> day of January, 1998 by and between Joseph H. Clem and Marian G. Clem, his wife; and John Colin Clem, Jr. and Barbara Jean Clem, his wife, whose address is 7416 Clifton Avenue, Littleton, Colorado 80123 ("Surface Owner," whether one or more) and TBI PRODUCTION COMPANY, a Delaware corporation ("TBI"), with offices at 555 Seventeenth Street, Suite #1850, Denver, Colorado 80202, covering certain lands, (the "Lands") situated in Garfield County, Colorado described as follows:

Township 7 South, Range 95 West, of 6th P.M.

Section 10: E/2SW/4

Section 15: NE/4, E/2NW/4, N/2SE/4

For and in consideration of the sum of ten dollars (\$10.00), and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the undersigned hereby agree to the terms and provisions set forth as follows:

1. Compensation for Well; Release of All Claims

TBI shall pay to Surface Owner the sum as set forth in and according to the terms of that certain Letter Agreement by and between Surface Owner and TBI, dated January 14, 1998, as full and final settlement and satisfaction for any and all detriment, depreciation, injury or damage of any nature to the Lands or growing crops thereon that may occur as a result of TBI's drilling or completion operations for the production or transportation of oil, gas, or other hydrocarbons or products associated with the Clem 15-14 and Clem 15-23 wells including, but not limited to, surface use, access, pipelines, gathering lines, pipeline interconnections, and any and all other reasonable or customary uses of land related to said operations or activities.

2. Grant of Right of Way and Easement

Surface Owner hereby grants, bargains, sells, assigns, and conveys to TBI an easement and right-of-way for the purpose of construction, using and maintaining access roads, locations for surface equipment and subsurface gathering lines for each well drilled upon the Lands, pipelines, and pipeline interconnections for one year from the date of commencement of surface activities for drilling operations and so long thereafter as TBI's oil and gas leases remain in effect.

This Agreement shall be binding upon the respective heirs, executors, administrators, successors, and assigns of the undersigned.

These Parties hereto have executed this document effective as of the day first above written.

SURFACE OWNER

TBI PRODUCTION COMPANY

By:

Joseph H. Clem  
Joseph H. Clem

By:

Richard B. Porter  
Richard B. Porter  
Attorney-in-Fact

By:

Marian G. Clem  
Marian G. Clem

By:

John Colin Clem, Jr.  
John Colin Clem, Jr.

By:

Barbara Jean Clem  
Barbara Jean Clem

TBI Production, Inc  
555 17<sup>th</sup> St Ste 1850  
Denver CO 80202-3918

003380021

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STATE OF COLORADO )  
 )ss  
COUNTY OF Jefferson

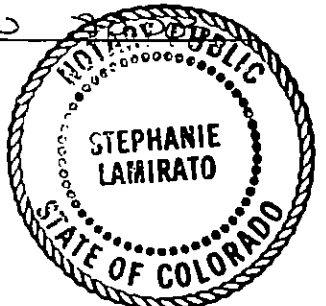
This instrument was acknowledged before me this 21<sup>st</sup> day of January 1998  
by Joseph H. Clem and Marian G. Clem.

Witness my hand and official seal.

Stephanie Lamirato  
Notary Public

Address: 7577 W 80<sup>th</sup> ave  
Arvada, CO

My commission expires \_\_\_\_\_ My Commission Expires 11-30-98



STATE OF COLORADO )  
 )ss  
COUNTY OF Jefferson

This instrument was acknowledged before me this 21<sup>st</sup> day of January 1998  
by John Colin + Barbara Jean Clem

Witness my hand and official seal.

Stephanie Lamirato  
Notary Public

Address: 7577 W 80<sup>th</sup> ave  
Arvada, CO 80003

My commission expires \_\_\_\_\_ My Commission Expires 11-30-98



STATE OF COLORADO )  
 )ss  
COUNTY OF Denver

This instrument was acknowledged before me this JANUARY 14, 1997 by  
Richard B. Porter, Attorney-in-Fact of TBI Production Company, a Delaware corporation, on  
behalf of the corporation.

Witness my hand and official seal.

Phyllis Malisheski  
Notary Public

Address: \_\_\_\_\_



My commission expires 12-6-99

