

SURFACE USE AGREEMENT

516-3757

THIS SURFACE USE AGREEMENT ("Agreement"), dated effective this 2 day of November 2009, is made by and between the undersigned, ~~Corp. of Presiding Bishop of Jesus Christ of Latter-Day Saints~~, whose address is c/o David Powers, Natural Resource Dept., 50 E. North Temple St., Floor 12, Salt Lake City, Utah 84150-3620 herein called "Owner", and Noble Energy, Inc., 1625 Broadway, Suite 2200, Denver, Colorado 80202, herein called "Noble";

Corporation of the Presiding Bishop of the Church of Jesus Christ of Latter-day Saints, a Utah Corporation sole

WHEREAS, Owner represents that they are the surface owners and in possession of an interest in part or all of the surface estate for the following described lands in Weld County, Colorado, said land herein called "Lands", to wit;

Township 3 North, Range 64 West, 6th P.M.
Section 17: SW/4SW/4
BUTTERBALL D19-27D
LDS D20-30D
THOMPSON D20-31D
LDS D20-29D

WHEREAS, Owner recognizes that Noble has the right to conduct operations on the Lands pursuant to Oil & Gas Lease(s) covering the Lands and Owner and Noble desire to minimize any surface damage to the Lands and to reach an agreement regarding such surface damage;

NOW, THEREFORE, in consideration of [REDACTED] and other valuable consideration, the sufficiency of which is hereby acknowledged, Owner and Noble agree as follows:

1. Payment to Owner. Prior to commencement of drilling operations on the Lands, Noble shall pay Owner the following sum as full settlement and satisfaction of all damages growing out of, incident to, or in connection with the usual and customary exploration, drilling, stimulation, completion, re-stimulation, re-completion, deepening, reworking, equipping, production, maintenance, plugging and abandoning operations for the well(s) together with the installation, operation and maintenance of the associated flowline(s), access roads and production facilities, unless otherwise specifically provided herein:

A. [REDACTED] for the proposed BUTTERBALL D19-27D well, and an [REDACTED] each for the LDS D20-30D, THOMPSON D20-31D and LDS D20-29D wells located on the proposed multiple wellsite pad located on the Lands in which Owner owns the entire surface estate, together with any lands used for road purposes, production facilities, pipelines, flowlines or other necessary facilities in connection with the multiple wellsite pad. Noble agrees to locate its wells and to conduct its future operations (exclusive of

existing wells and production facilities) on the Lands on a common pad located in the W/2 of Section 17, Township 3 North, Range 64 West and as more specifically shown on Exhibit A attached hereto and by this reference made a part of this Agreement. Noble may, at its sole discretion and convenience, locate and drill up to 1 well from this common pad, with such bottom-hole locations as may be authorized pursuant to Rule 318.A of the Colorado Oil and Gas Conservation Commission. Noble shall have access to the multiple wellsite pad for any and all of the operations described above at any time during a given calendar year.

B. If, by reasons directly resulting from the operations of Noble, there is damage to real or personal property upon the Lands which is not associated with usual and customary operations, including, but not limited to, damage to livestock, structures, buildings, fences, culverts, cement ditches, irrigation systems, and natural water ways, such damage will be repaired or replaced by Noble, or Noble will pay reasonable compensation to Owner for such additional actual damage or an amount equal to the reasonable costs to repair such actual damages.

C. Owner agrees to notify any surface tenant that may be affected by Noble's operations on the Lands and Owner may allocate the payments made hereunder with such surface tenant as they shall mutually determine between themselves and Noble shall have no liability therefor.

2. Noble Obligations. In conducting operations on the Lands, Noble shall:

A. Locate, construct and install the wellsites, access road, flowlines, and production facilities, including, but not limited to, pumping units, production tanks, water pits, heater/treaters, separators and emission control units as depicted on Exhibit "A".

B. Limit the size of the multiple wellsite pad to approximately 350 feet by 550 feet during any drilling, completion, recompletion or workover operations and shall be no more than one-half acre in size during other periods. The area required for any tank battery location associated with the multiple well pad shall be limited to approximately one-half acre in size upon completion of construction. Access roads shall be limited to approximately 30 feet in width during drilling, completion, deepening, refracing, recompletion, reworking, equipping and production operations. The permanent access roads to the wellhead and tank battery location shall be limited to 15 feet in width.

C. Separate the topsoil at the time of excavation of pits in accordance with Rule 1002.b.(2) of the rules and regulations of the Colorado Oil & Gas Conservation Commission ("COGCC") so that the topsoil and subsurface soil can be placed back in proper order as nearly as practicable.

D. Perform all reclamation in accordance with the rules and regulations of the COGCC, unless a variance is granted by the COGCC upon the request of Owner. Weather permitting, reclamation operations shall be completed within six months

following drilling and subsequent related operations, unless Noble and Owner mutually agree to postponement because of crop or other considerations.

E. Use reasonable efforts to keep the well, Lands, and production facilities free of weeds, debris and erosion.

F. Regarding a multiple wellsite pad that is located in pasture or non-crop land, the Surface Owner shall have the option to either have Noble reseed the affected area at Noble sole cost, risk and expense, or reseed the affected area itself and receive payment from Noble in the amount [REDACTED] upon notice of such reseeding by Surface Owner. Such payment will constitute Surface Owner's acceptance of responsibility for compliance with COGCC Rule 1003.e.(2), Revegetation of Non-Crop Lands, insofar as any perennial forage crops that were present before disturbance shall be re-established.

3. Advance Notice. Owner hereby acknowledges receipt of Noble's Advance Notice of Drilling and that this notice complies with, or hereby waives, all COGCC requirements that it be given advance notice by Noble of the proposed operations. Owner acknowledges receiving from Noble a brochure prepared by the COGCC which describes the rights and responsibilities of Owner as surface owner.

4. Good Faith Consultation. Owner acknowledges and agrees that Noble has consulted in good faith with Owner as to its proposed operations, in accordance with COGCC requirements, or hereby waives such requirements.

(a) Noble will provide Owner with the COGCC Form 2A for the well(s) when submitted to the COGCC, and Noble undertakes to ensure that said Form 2A accurately reflects the provisions of this Agreement, including the specified surface locations of facilities shown on Exhibit A.

(b) Owner agrees not to object to said Form 2A, so long as it is consistent with this Agreement, and hereby agrees to not comment on said Form 2A, to not request an extension of the comment period, to not request an onsite inspection and further agrees to not to appeal the approval and issuance of the Form 2A and the related Form 2.

5. Successors and Assigns. When Noble is used in this Agreement, it shall also mean the successors and assigns of Noble, as well as its employees and officers, agents, affiliates, contractors, subcontractors and/or purchasers. This Agreement shall be binding upon and inure to the benefit of the heirs, successors and assigns of Owner and Noble and may be executed in counterparts.

6. Confidentiality. Owner agrees to keep the amount of consideration paid hereunder by Noble confidential and shall not disclose such information without the advance written consent from Noble. Owner further agrees to include language in any annexation, subdivision plat, planned unit development or other land use designation for which Owner may apply to put successors or assigns on notice that the property is subject


to this Agreement. Noble may record a memorandum evidencing the existence of this Agreement, but in all other respects its terms and conditions shall be held confidential by the parties.

7. Governing Law/Venue. This Agreement shall be interpreted according to the laws of the State of Colorado. Venue for any dispute shall be Weld County, Colorado.

8. Written Modifications/Notices. This Agreement may only be amended in writing signed by both parties. All notices to either party shall be in writing addressed to the parties at the address first set forth above.

9. Effective Date and Term. This Agreement shall become effective when it is fully executed and shall remain in full force and effect until Noble's leasehold estate expires or is terminated, and Noble has plugged and abandoned the well(s) and conducted reclamation in accordance with this Agreement and applicable COGCC rules and regulations, except that any release, discharge or indemnity from and against liability contained herein shall survive the expiration of this Agreement.

AGREED TO AND ACCEPTED AS OF THE DATE FIRST WRITTEN ABOVE.

 **OWNER: CORP. OF PRESIDING BISHOP OF JESUS CHRIST OF LATTER-DAY SAINTS**

Corporation of the Presiding Bishop of the Church of Jesus Christ of Latter-day Saints, a Utah Corporation sole

By:   

Its: _____ AUTHORIZED AGENT

NOBLE ENERGY, INC.

By: 


P. David Padgett
Attorney-In-Fact, D.J. Basin 

Exhibit "A"

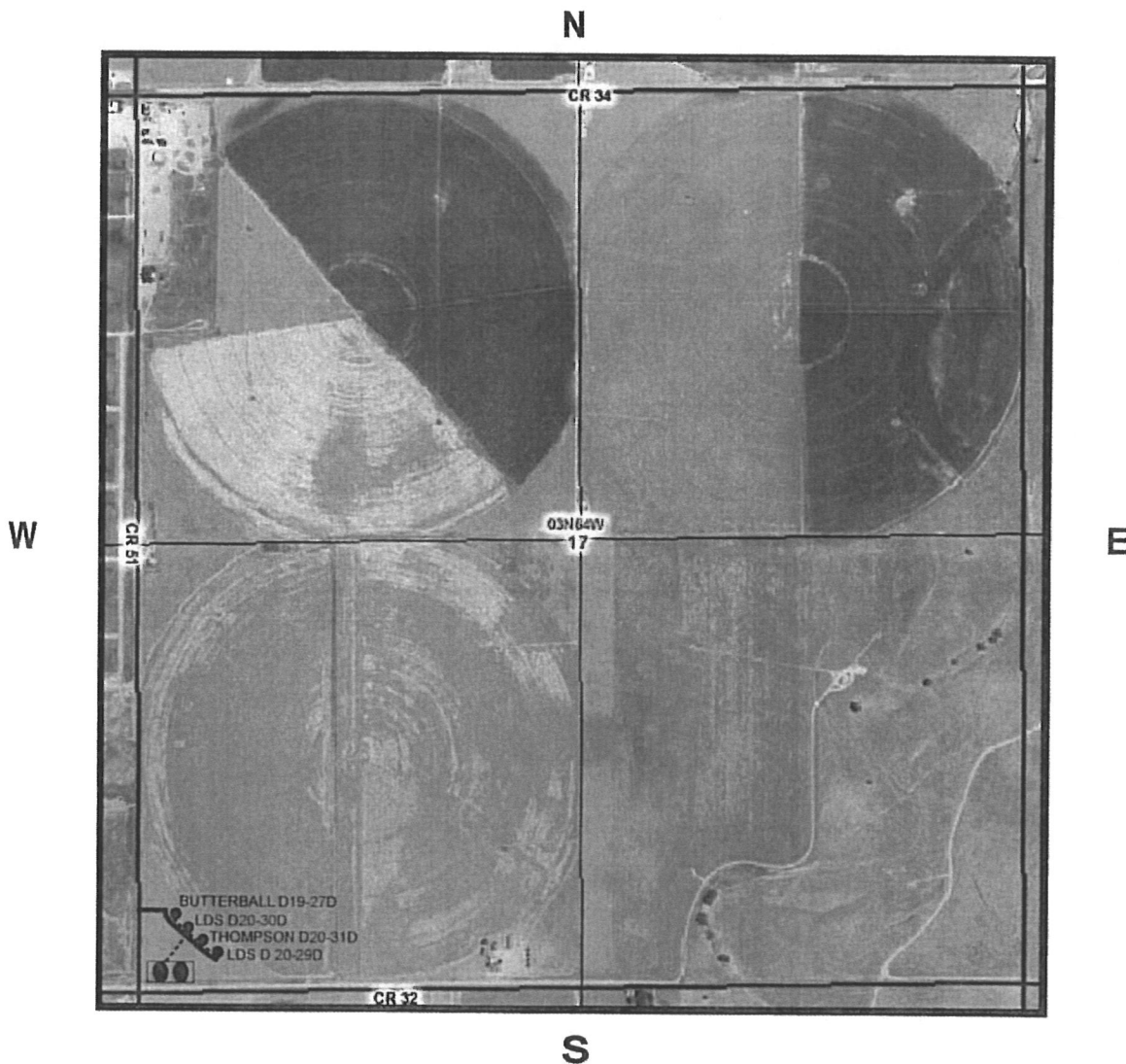
Attached to and by reference made a part of that certain Surface Use Agreement dated November 2, 2009, by and between Noble Energy, Inc. as "Noble" and ~~Corp. of Presiding Bishop of~~ Jesus Christ of Latter-Day Saints, as "Surface Owner" covering the following lands: ✓

Corporation of the Presiding Bishop of the Church of Jesus Christ of Latter-day Saints, a Utah Corporation sole

Township 3 North, Range 64 West, 6th P.M.

Section 17: SW/4SW/4

Weld County, Colorado



Road Access



Flowline



Tank Battery

