

## SURFACE USE AGREEMENT

THIS SURFACE USE AGREEMENT ("Agreement"), dated effective this 13<sup>th</sup> day of May, 2010, is made by and between the undersigned, Barbara J. Hoff, whose address is 211 N. 49<sup>th</sup> Ave Place, Greeley, Colorado 80634 herein called "Owner", and Noble Energy, Inc., 1625 Broadway, Suite 2200, Denver, Colorado 80202, herein called "Noble";

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 6: E/2  
HOFF PC D06-27  
HOFF PC D06-22D

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 the \_\_\_\_\_ 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. \_\_\_\_\_ for each of the proposed wellsites, HOFF PC D06-27 and HOFF PC D06-22D, located on the Lands (and a like amount for any subsequent wellsites to be 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 wellsites.

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 therefore.

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

A. Locate, construct and install the wellsites, access roads, 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" attached hereto and by this reference made a part of this Agreement.

B. Limit the size of each wellsite to approximately 350 feet by 400 feet during any drilling, completion, recompletion or workover operations and shall be no more than 1/4 acre in size during other periods. The area required for any tank battery location associated with each well 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 wellheads 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 wells, Lands, and production facilities free of weeds, debris and erosion.

F. Regarding a wellsite 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 of \_\_\_\_\_ 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.

10. A letter from Golden Buckeye Petroleum Corporation dated September 14, 1983, addressed to Herbert M. and Barbara A. Connelley regarding a Rental Agreement for Wellsites, E/2, Section 6: T3N, R64W, Weld County, Colorado, is hereby incorporated into and shall become an express part of this Agreement. A copy of pages one (1) and two (2) of said letter is attached.

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

**OWNER: BARBARA J. HOFF**

By: Barbara J. Hoff  
Barbara J. Hoff

**NOBLE ENERGY, INC.**

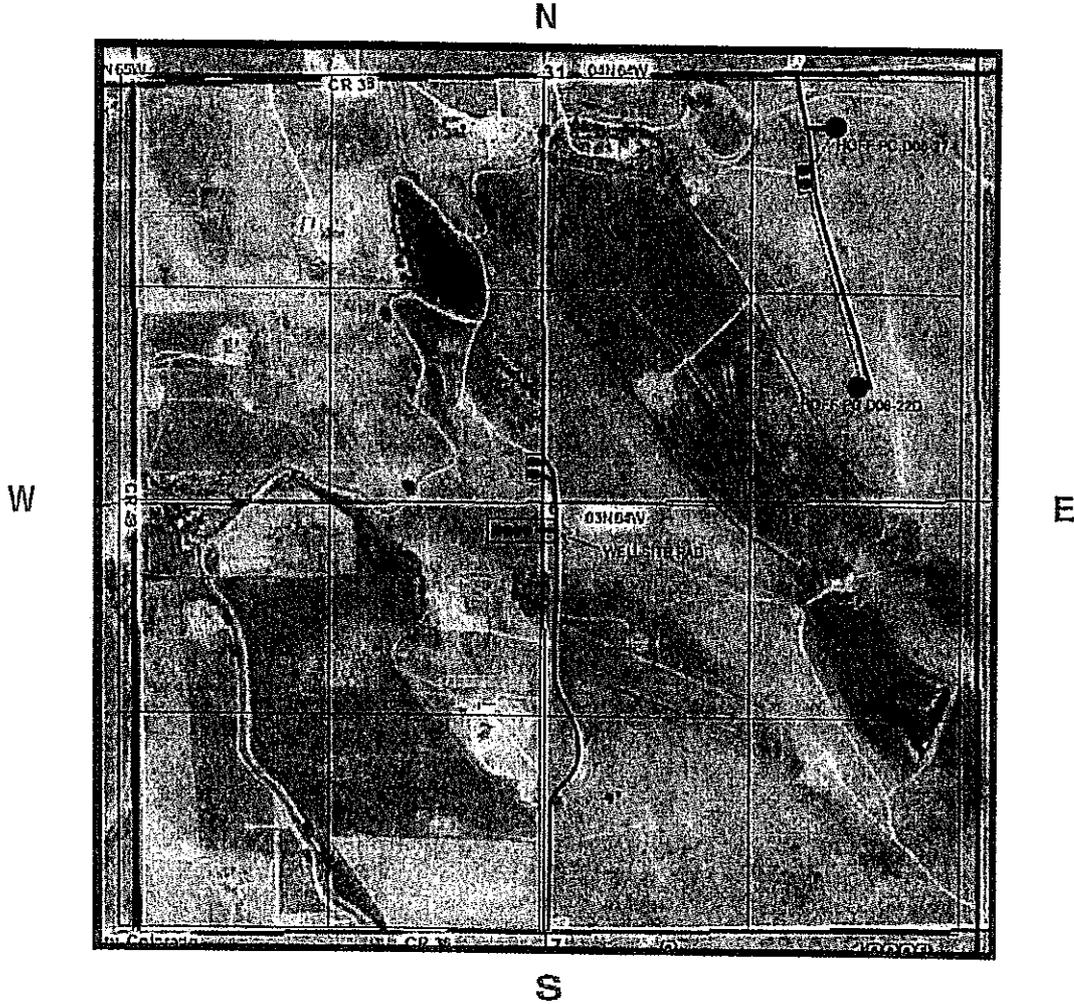
By: P. David Padgett b.f. ymb  
P. David Padgett, Attorney-In-Fact

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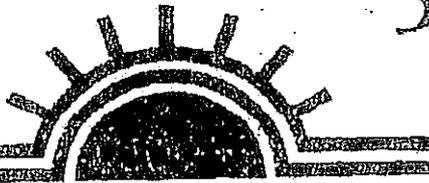
**Exhibit "A"**

Attached to and by reference made a part of that certain Surface Use Agreement dated May 13, 2010, by and between Noble Energy, Inc. as "Noble" and Barbara J. Hoff, as "Surface Owner" covering the following lands:

Township 3 North, Range 64 West, 6th P.M.  
Section 6: E/2  
Weld County, Colorado



- Road Access 
- Flowline 
- Tank Battery 



GOLDEN BUCKEYE PETROLEUM CORPORATION

September 14, 1983

Herbert M. and Barbara A. Connelley  
209 Lookout View Drive  
Golden, Colorado 80401

Re: Rental Agreement for Wellsites  
E/2, Section 6: T 3N, R 64W, Weld County, Colorado

Dear Mr. and Mrs. Connelley:

This letter will serve as an agreement between Golden Buckeye Petroleum Corporation et al (Golden Buckeye) and yourselves (Owners). As you know, Golden Buckeye desires to drill a well at about 990 feet from the south line and 990 feet from the east line of the above-mentioned section. In as much as this falls on lands, where you own the surface, and in consideration for your co-operation with the arrangements necessary to conduct our operations respecting that well, we wish to make the following agreement with you:

1. Golden Buckeye will pay Owners \_\_\_\_\_ per wellsite as surface damages prior to the commencement of operations on such site, whereupon Owners will execute a Surface Damage Agreement releasing Golden Buckeye from any surface damages resulting from such operations, subject to any stipulations which may be pertinent respecting Owners farming, ranching or other concerns in that specific site or the approaches thereto, and excepting any extraordinary damages over and above those usually caused in the course of normal drilling operations. In the event such extraordinary damages occur, Golden Buckeye and the Owners agree to negotiate what payment for such damages may be necessary over and above the \_\_\_\_\_ figure mentioned above.

EXHIBIT "B"

Herbert M. and Barbara A. Connelley  
September 14, 1983  
Page Two

2. Golden Buckeye will pay Owners the sum \_\_\_\_\_ per wellsite for each of the first two commercially productive wells actually drilled on Owners' land, and \_\_\_\_\_ per wellsite for any subsequent wells drilled thereon as a yearly rental, subject to the following conditions:

- a. Such payment will be paid in advance covering the period of one calendar year.
- b. Such payment shall become due 60 days after a completion report is filed with the Colorado Oil & Gas Conservation Commission.
- c. Such payment shall continue on a yearly basis so long as production continues from such well on a commercially viable basis. Should however, such well be capable of commercial production, but be shut-in by the purchasers of either gas, oil or both gas and oil resulting in a halt in production, then such payments shall be suspended until 30 days after the date that production once again commences. At such time, the full yearly rental shall become due and payable. Should such shut-in condition continue in excess of six months from the anniversary date, then that yearly rental shall be reduced to one half of the annual rental amount, which amount shall be paid for any remaining portion of the year and shall become due as above-described. Should, however, such shut-in condition continue for a full twelve calendar months from the anniversary date, then no payment shall be due and payable for that twelve month period.

Should any well capable of commercial production be shut in at the option of the Operator, then payments of the rental amounts would continue as if such well were continuing to produce.

d. Should any well be or become incapable of commercial production, then such well would be plugged and abandoned in accordance with state law, and no payment would become due from such well.

e. Should Golden Buckeye for any reason default upon said payments, then Owners shall have the right to seek relief in the usual manners available to the injured parties in accordance with contract law. Except, however, such relief shall be limited to monetary damages from Golden Buckeye and shall not create any interest of any kind in the mineral estate of the lands involved nor in the production resulting therefrom.

f. This Agreement shall be binding on Golden Buckeye and its assigns so long as production continues from the captioned lands.

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This agreement shall be a covenant running with the land and shall be binding upon and inure to the benefit of the heirs, successors, representatives, and assigns of the parties hereto.

*Bernie*  
*Sept*