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## SURFACE USE AGREEMENT

THIS SURFACE USE AGREEMENT ("Agreement") is made and entered into this 6th day of June, 2003, by and among ANADARKO E&P COMPANY LP, formerly known as RME Petroleum Company and Union Pacific Resources Company, and ANADARKO LAND CORP., formerly known as RME Land Corp. and Union Pacific Land Resources Corporation (together the "Anadarko Entities"), both with an address of Post Office Box 1330, Houston, Texas 77251-1330; KERR-MCGEE ROCKY MOUNTAIN CORPORATION ("KMRMC"), formerly known as HS Resources, Inc., with an address of 1999 Broadway, Suite 3600, Denver, Colorado 80202; K. P. KAUFFMAN COMPANY, INC. ("KPK") with an address of 1675 Broadway, Denver, Colorado 80202 (the Anadarko Entities, KMRMC and KPK are sometimes referred to hereinafter together as the "Oil Companies"); and DAcono PROPERTIES, LLC ("Dacono Properties" or "Surface Owner"), with an address of 2500 Arapahoe, Suite 220, Boulder, Colorado 80302.

A. Surface Owner owns the surface estate for property located in the City of Dacono ("City") in Weld County, Colorado, described as a portion of the SE4 of Section 14, Township 1 North, Range 68 West, which is more particularly described in Exhibit 1 to this Agreement and is hereinafter referred to as the "Property."

B. The Anadarko Entities own all of the oil and gas that underlies the Property and either the Anadarko Entities, or their predecessors, have granted oil and gas leasehold rights in the Property as identified in Recitals F. and G.

C. Union Pacific Land Resources Corporation and Union Pacific Resources Company (together the "Union Pacific entities") entered into an agreement with Surface Owner dated November 14, 2000 entitled "Agreement for Compatible Development" ("Development Agreement") pursuant to which the parties set forth minimum standards with which Surface Owner is required to comply to protect existing oil and gas wells on the Property and for the location of future oil and gas wells on the Property, among other things.

D. The Development Agreement was recorded in the Weld County Clerk and Recorder's Office on November 30, 2000 at Reception number 2809837.

E. The Development Agreement contemplated that Surface Owner might enter into surface use agreements with the parties which own oil and gas leasehold interests in the Property at the time Surface Owner had more specific plans to develop the surface estate to which the Union Pacific entities would also be signatory parties.

F. KMRMC owns certain oil and gas leasehold interests in the Property that it derived through the Union Pacific entities pursuant to an oil and gas lease recorded on December 21, 1970 at Reception number 1559254, and KMRMC currently operates an oil and gas well on the Property generally located in the NE4SE4 and identified as the UPRR 43 Pan Am U 2.



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G. KPK owns certain oil and gas leasehold interests in the Property that it derived through the Union Pacific entities pursuant to an oil and gas lease recorded on December 21, 1970 at Reception number 1559254, and KPK currently operates an oil and gas well on the Property generally located in the NE4SE4 and identified as the UPRR 43 Pan Am 1 32.

H. The two oil and gas wells described in Recitals F. and G. are referred to hereinafter as the "Existing Wells."

I. This Agreement provides for the compatible development of the surface estate and the oil and gas estate for the Property and applies only to the oil and gas interests that are owned by the Oil Companies.

NOW THEREFORE, in consideration of the covenants and mutual promises set forth in this Agreement, including in the recitals, the parties agree as follows:

1. Existing and Future Wellsite and Production Site Locations.

A. Wellsite Locations. The Oil Companies agree to locate future oil and gas wells only in the area that includes the Existing Wells which is identified as the Existing Wellsite Location #3 on Exhibit 2 and in the two future wellsite locations ("Future Wellsite Locations") which are identified on Exhibit 2 as Wellsite Location #1 and Wellsite Location #2.

B. Area Included in Wellsite Locations. The Future Wellsite Locations and the Existing Wellsite Location are located generally in the SE4SE4, SW4SE4 and NE4SE4 as reflected on Exhibit 2 and shall include the areas reflected on Exhibit 2. Future wellbores shall, to the extent practicable, be located generally at or near the centers of the Future Wellsite Locations or in general proximity to the wellbores at the Existing Wellsite Location, as the case may be.

C. Surface Lot Line Requirements. Lot lines for surface development shall not be platted anywhere within any of the areas included in the Wellsite Locations as reflected on Exhibit 2.

D. Multiple Wells within Wellsite Locations. The Oil Companies shall continue to have the right to operate and maintain the Existing Wells and to drill additional wells at the Existing Wellsite Location and the Future Wellsite Locations and to deepen and recomplete the Existing Wells and any well that is drilled in the future and also to drill twinned wells as well as directional and horizontal wells that produce from and drain the Property as well as lands other than the Property. The Existing Wellsite Location and the Future Wellsite Locations (together the "Wellsite Locations") shall be for the exclusive use of oil and gas drilling, exploration, production and operations and the location of associated oil field equipment.

E. Associated Drilling and Production Equipment. Except as may be hereinafter provided, the Oil Companies shall construct, locate, maintain and repair such associated drilling and production equipment, including tanks, separators, dehydrators, compressors, flowlines and meters, and also any other associated oil field equipment necessary or convenient for the

operation and production of the Existing Wells and future wells only within the Wellsite Locations.

2. Access to Existing and Future Wellsite Locations.

A. Access to Existing Wellsite Locations. Surface Owner acknowledges and understands that the Oil Companies with respect to the Existing Wells have the right to continue to use the access routes that they are currently utilizing to access the Existing Wellsite Location until such time as the same may be relocated as identified on Exhibit 2.

B. Access to Future Wellsite Locations. Access to the Future Wellsite Locations shall be at the locations identified on Exhibit 2.

C. Relocation of Access. Access to a Wellsite Location as shown on Exhibit 2 may be changed in the future by mutual agreement of the parties or their successors in interest; provided however, all costs and expenses of such relocations shall be borne by Surface Owner.

D. Maintenance and Use of Joint Access Roads. Surface Owner shall keep roads jointly used by both Surface Owner or its subdivision occupants and one or more of the Oil Companies in good condition and repair until they are dedicated to a local jurisdiction; provided, however, if an Oil Company causes damage to a road that is built to the specifications in subsections 2.E.(1) or 2.E. (2), it agrees to promptly repair any damage which it causes which is a direct result of its use of the road. No party shall unreasonably interfere with the use by the other of an access road.

E. Construction and Width of Access Roads.

(1) Access roads that are jointly used by the Oil Companies and Surface Owner shall be thirty (30) feet or more in width, and Surface Owner shall construct or improve all paved or improved access roads so as to withstand the weight of oilfield equipment. Specifically, Surface Owner shall construct the roads so that they can be used to withstand the weight of 104,000 pounds and 26,000 per axle.

(2) Access roads that are used exclusively by the Oil Companies shall be thirty (30) feet or more in width, and the Oil Companies shall install and maintain them to applicable standards of the Colorado Oil and Gas Conservation Commission ("COGCC").

3. Pipeline Easements.

A. Pipelines, Flowlines and Pipeline Easements to Existing Production Facilities and Wells. Surface Owner acknowledges and understands that the Oil Companies and their affiliates have the right to continue to use the flowlines, pipelines and pipeline easements that they are currently utilizing to service the Existing Wells and to construct, repair, maintain and replace the flowlines and pipelines.

B. Pipelines, Flowlines and Pipeline Easements for Future Wells. Pipelines, flowlines and pipeline easements to service future wells shall be at the locations identified on

Exhibit 2, and Surface Owner shall provide the Oil Companies with written pipeline easements upon the request of the Oil Companies and at no cost to them.

C. Relocation of Pipelines and Pipeline Easements. Locations of pipeline easements may be changed by mutual agreement of Surface Owner and the appropriate Oil Company; provided, however, all costs and expenses of such relocations shall be borne by Surface Owner.

D. Width and Grant of Pipeline and Flowline Easements. For existing pipelines, pipeline easements shall be nonexclusive and shall be fifty (50) feet in width during construction activities or until such time as all pipeline relocations are completed. For future Wellsite Locations, pipeline easements shall be nonexclusive and shall be fifty (50) feet in width during construction activities or until such time as all pipeline relocations are completed and/or adjacent surface development is completed. After the completion of existing line relocations and adjacent surface development, pipeline easements shall be 30 feet in width for all operations, maintenance and transportation activities and for construction of lines to future wellsites; provided, however, the center of each pipeline easement shall be at least 75 feet on either side from all ignition sources unless Surface Owner agrees to reimburse the Oil Company for costs to sleeve the pipe. Flowline easements shall be thirty (30) feet in width for all operations. Surface Owner shall grant the pipeline easements (for production from the Property and/or other lands) to the applicable Oil Companies at the time the Oil Company requests them and at no cost to the Oil Companies. The pipeline easements shall be for the use of pipelines for oil and gas production and operations; provided, however, the Oil Companies may install one or more pipelines within the same easement, and further provided that Surface Owner shall be entitled to reserve the right to cross such easements and to install and maintain access to such easements for (i) utility lines, including those for water, gas, sewer, electric, telephone, cable tv and fiber optic; (ii) sidewalks and trails; (iii) roads; and (iv) other purposes; provided, however, any new underground facilities which travel along or within a pipeline easement identified herein shall be located at a distance horizontally of at least ten (10) feet from parallel existing oil and gas pipelines and flowlines and such facilities shall have at least twenty-four (24) inches of vertical clearance between the new facility and an oil and gas pipeline or flowline provided for herein and any overhead power lines shall be at least twenty (20) feet above the ground.

E. Minimum Ground Cover to be Maintained. Surface Owner shall maintain a minimum ground cover of 48 inches and not more than 72 inches over pipelines and flowlines in the conduct of its operations and its construction activities on the Property.

4. Notice of Commencement of Surface Construction and Drilling Activities.

A. Surface Owner Notice. Surface Owner shall give advance notice to and meet at the site with representatives of the appropriate Oil Companies to locate existing pipelines and flowlines and to coordinate proposed surface construction activities with current and prospective oil and gas operations.

B. Oil Company Notice. The applicable Oil Company shall give notice to Surface Owner of proposed drilling activities on the Property in accordance with the rules and regulations of the COGCC, but in no event less than ten (10) days advance notice.

5. Surface Construction Activities.



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A. Shut-In Production Payments. An Oil Company may, in its discretion, for safety purposes, shut in any pipeline or flowline over which Surface Owner's heavy earth moving equipment has run. Further, Surface Owner may request or an Oil Company may elect, in its discretion, to shut in one or more of its wells during Surface Owner's construction activity on the surface of the Property. Surface Owner shall notify the applicable Oil Company at least twenty (20) days before Surface Owner intends to commence construction activities where it will utilize heavy equipment or other equipment that may cause damage to the Oil Company's flowlines or pipelines. During the period of any shut-in (either at the request of Surface Owner or at the discretion of the Oil Company as herein provided), Surface Owner shall pay the applicable Oil Company the gross revenue that it would have otherwise derived from the well(s) had the well(s) produced less a cost of operation of \$400 per month. Gross revenue shall be determined by taking the average production during the six-month period before the shut-in times the price that the Oil Company received for oil and gas sales during the same period for wells located in the same general area. Surface Owner shall also pay the Oil Company any costs to rework the well in order to place the well in production status after the shut-in and costs to replace pipelines and flowlines that are damaged by the surface construction activities of Surface Owner.

B. Electrical Equipment. Surface Owner shall pay all costs to the applicable Oil Company or Oil Companies that the Oil Company incurs to change electrical equipment at a Wellsite where the Oil Company is required to make the change because of the impending or actual surface development of the Property.

6. Subdivision Plat and Local Regulations. Surface Owner shall identify the Existing Wellsite Location and the Future Wellsite Locations and all present and future access routes and pipeline easements on its subdivision plats and in all applications for development that it files with a local jurisdiction, as well as the setbacks between existing and proposed Wellsite Locations and planned and existing lot lines, and the plats shall include restrictions that no property line, building or other structure shall be located, constructed or installed within the Wellsite Locations. Nor shall Surface Owner locate any equipment under the surface of the Wellsite Locations, including but not limited to, sewer lines, gas pipelines or water lines.

7. Waiver of Surface Damage Payments. Surface Owner hereby waives all surface damage payments pursuant to any COGCC or local regulation, state statute, common law or prior agreement for each and every well and related wellsite that is drilled at a Wellsite Location and for each production facility. The Oil Companies may provide a copy of this Agreement to the COGCC or to any local jurisdiction, person or entity or any court of law as evidence of this waiver. The term "surface damage payments" as used herein shall be given the meaning commonly used in the oil and gas industry.

8. Waiver of Setback and Other Requirements. Surface Owner understands and acknowledges that the COGCC has rules and regulations that apply to the distance between a wellhead and public roads, production facilities, building units and surface property lines, among other things. Surface Owner hereby waives all setback requirements in COGCC Rule 603, or any successor rule or amendment to the COGCC setback rules, and to any other state or local setback requirements that are or become inconsistent with this Agreement or that would prohibit or interfere with the rights of the Oil Companies to explore for and produce the oil and gas in accordance with this Agreement. Surface Owner understands that the Oil Companies may cite



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the waiver in this section 8 in order to obtain a location requirement exception or variance under COGCC rules or from a local jurisdiction.

9. Payment of Relocation Costs. Surface Owner shall give advance written notice to the applicable Oil Company at least thirty (30) days prior to the time that Surface Owner wishes an Oil Company to relocate an access road or pipeline pursuant to sections 2.C. or 3.C. The applicable Oil Company shall thereafter provide the Surface Owner with an estimate of the costs for the relocation. Surface Owner shall pay the full amount of the estimate of relocation costs to the Oil Company within ten (10) days from the date it receives the estimate. Upon receipt of the estimate of costs by Surface Owner, the Oil Company will within a reasonable time commence the relocation of the applicable access road or pipeline, install the same in a good and workmanlike manner, and diligently pursue such relocation work to completion. Upon completion of the relocation, the Oil Company shall give the Surface Owner a full accounting of the costs and expenses of the relocation. If the amount of such costs exceeds the amount of the estimate, Surface Owner shall pay the Oil Company the amount of the shortfall within ten (10) days from the receipt of the accounting. If the amount of such costs is less than the amount of the estimate, the Oil Company shall reimburse the difference to Surface Owner at the time it provides its accounting to Surface Owner.

10. Governmental Proceedings.

A. Surface Owner Will Not Object. Surface Owner agrees that it will not object in any forum to the use by the Oil Companies of the surface of the Property consistent with this Agreement and the Development Agreement and hereby waives any such right to object. Surface Owner further agrees that it shall provide such other written approvals and waivers which are reasonably requested and consistent with this Agreement, including, but not limited to, all approvals and waivers to drill a well or to conduct oil and gas operations on the Property because of any law or regulation, including any local ordinance and regulations of the COGCC, and including, for example, waivers to state and local setback requirements and to any setback requirement from a surface property line or for an exception location.

B. Oil Companies Will Not Object. The Oil Companies agree that they will not object in any forum to a request by Surface Owner to annex, zone, rezone, plat or replat all or any portion of the Property to the extent such request is consistent with this Agreement; provided, however, the Oil Companies shall not be required to incur any expenses in connection with such request.

11. Notice to Home Builders and Homeowners. Surface Owner shall furnish all persons or entities that have a contract to purchase or that purchase all or any portion of the Property from Surface Owner with a plat that shows the locations of all Wellsite Locations, existing and future pipeline easements and existing and proposed access routes. In addition, Surface Owner shall provide written notice to all such purchasers that includes as follows:

- a. such buyers are not purchasing and will not own any interest in the oil and gas mineral estate;

- b. there may be ongoing oil and gas operations and production on the surface of the Property within the Wellsite Locations, pipeline easements and access routes;
- c. additional oil and gas wells are likely to be drilled and oil and gas operations and production will likely take place on the Property which will affect the surface of the Property;
- d. heavy equipment will be used by oil and gas interest owners from time to time for oil and gas drilling and production operations and that such operations may be conducted on a 24 hour basis;
- e. future purchasers of all or a portion of the Property, as successors in interest, will be bound by the covenants and provisions in this Agreement and subject to the waivers and covenants included in sections 7 and 8 and 10, among others.

12. Impact Mitigation.

A. Oil Company Mitigation. The Oil Companies agree that they shall install and maintain at their sole cost and expense such fences, gates and locks around the wells and production facilities as are required by the COGCC. To the extent required by law or regulation, the Oil Companies shall bear the costs of impact mitigation measures, including environmental or hazardous materials cleanup, remediation or mitigation for their individual operations on the Property.

B. Surface Owner Mitigation. Except as provided in section 12.A., Surface Owner shall bear all costs and expenses to install such noise and visual impact mitigation measures it desires or the City or Weld County requires at or around the Wellsite Locations which are in excess of or in addition to those measures which are required by COGCC regulations for areas which are not high density; provided, however, the operator of the well at the particular Wellsite Location shall have reasonable discretion to veto or protest the types and locations of impact mitigation measures in order to allow for safe oil and gas operations.

13. Individual Liability of Oil Companies. Nothing in this Agreement is intended to create a cause of action by any Oil Company against any other Oil Company or to enlarge or diminish any right or interest created by any agreement or lease or assignment of lease between or among the Oil Companies. The liability of the Oil Companies to perform any obligation or to comply with any agreement hereunder or to comply with any state or local rule or regulation is individual and several and not joint or collective. The agreements herein of a particular Oil Company apply only to the extent of the oil and gas interests in the Property that are now owned or that may be owned in the future by that Oil Company. This Agreement does not create a joint venture or partnership between or among any of the Oil Companies.

14. No Waiver of Rights. The Oil Companies do not waive the rights they have pursuant to each of their respective oil and gas interests to explore for, drill and produce the oil and gas for the Property or for ingress and egress to any Wellsite Location, except as specifically provided in this Agreement.

15. Conflict in Agreements. In the event of a conflict between this Agreement and the Development Agreement, this Agreement shall control; provided, however, the terms of the Development Agreement shall continue to apply to the extent that they are not inconsistent with this Agreement.

16. Notice of Hearings. Surface Owner shall provide the Oil Companies with written notice not less than thirty (30) days before each hearing for approval of a plat application or other land use application for the Property that is to be held before the City or Weld County.

17. Notices. Any notice or other communication required or permitted under this Agreement shall be given in writing either by (a) personal delivery; (b) expedited delivery service with proof of delivery (c) United States mail, postage prepaid, and registered or certified mail with return receipt requested; or (d) prepaid telecopy or fax, the receipt of which shall be acknowledged, addressed as follows:

Surface Owner: Dacono Properties, LLC  
2500 Arapahoe Avenue, Suite 220  
Boulder, Colorado 80302  
Attention: Jon Lee

Anadarko entities: Anadarko E&P Company LP  
c/o Anadarko Petroleum Corporation  
Attention: Mid-Continent Development Land Manager  
P.O. Box 1330  
Houston, Texas 77251-1330

KMRMC: Kerr-McGee Rocky Mountain Corporation  
Attention: Denver Basin Land Manager  
1999 Broadway, Suite 3600  
Denver, Colorado 80202

KPK: K.P. Kauffman Company, Inc.  
1675 Broadway, Suite 2800  
Denver, Colorado 80202-4628

Any party may, by written notice as provided in this section, change the address of the individual to which delivery of notices shall be made thereafter.

18. Acknowledgment of Title to Oil and Gas. Surface Owner specifically acknowledges the title of Anadarko E&P and Anadarko Land to the oil and gas reserved for the Property and relinquishes all rights and claims thereto.

19. Termination and Modification for KPK. If Surface Owner has not commenced the development of the surface as shown in Exhibit A, Sweetgrass Filing Number 1, within five (5) years from the date of execution of this Agreement, or Surface Owner modifies it's plan of development (the changing of usage from single family attached homes to single family detached homes, or vice versa, or the modification of lot sizes, as long as Wellsite Locations, pipeline easements and access easements per this Agreement and its exhibits do not change, shall not be deemed a modification which

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would permit KPK to terminate this Agreement), and KPK, in it's sole discretion and in good faith believes it's interests would be adversely affected, then KPK, as to it's interests only, shall have the right to terminate this Agreement upon thirty (30) days prior written notice if Surface Owner does not notify KPK within such thirty (30) day period that it will not proceed with such modification. If Surface Owner notifies KPK of a proposed modification of its plan of development and KPK does not object to the same within thirty (30) days after receipt of such notice, KPK shall be deemed to have approved such modification and waived its right to terminate this Agreement as a result of such modification.

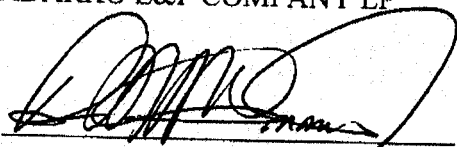
20. Successors and Assigns. This Agreement and all of the covenants in it shall be binding upon the personal representatives, heirs, successors and assigns of all of the parties, and the benefits of this Agreement shall inure to their personal representatives, heirs, successors and assigns. This Agreement and all of the covenants in it shall be covenants running with the land.
21. Recording. Surface Owner shall record this Agreement with the Clerk and Recorder of Weld County within fifteen days after it is executed by all of the parties and provide evidence to the Oil Companies of the recording.
22. Governing Law. The validity, interpretation and performance of this Agreement shall be governed and construed in accordance with the laws of the State of Colorado.
23. Severability. If any part of this Agreement is found to be in conflict with applicable laws, such part shall be inoperative, null and void insofar as it conflicts with such laws; however, the remainder of this Agreement shall be in full force and effect. In the event that any part of this Agreement would otherwise be unenforceable or in conflict with applicable laws due to the term or period for which such part is in effect, the term or period for which such part of this Agreement shall be in effect shall be limited to the longest period allowable which does not cause such part to be unenforceable or in conflict with applicable laws.
24. Incorporation by Reference. Exhibits 1 and 2 are incorporated into this Agreement by reference.
25. Entire Agreement. This Agreement and the Development Agreement set forth the entire understanding among the parties and supersede any previous communications, representations or agreements, whether oral or written. No change of any of the terms or conditions herein shall be valid or binding on any party unless in writing and signed by an authorized representative of each party.
26. Counterpart Executions. This Agreement may be executed in counterparts, each of which shall be deemed an original.

IN WITNESS WHEREOF, the undersigned parties have caused this Agreement to be executed by a duly authorized representative on the date and year first above written.

K.P. KAUFFMAN COMPANY, INC.

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

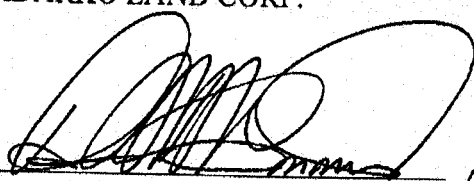
ANADARKO E&P COMPANY LP

By:   
Name: ROBERT M. MCCOMMON, JR.  
Its: Attorney-in-Fact *COR DNP*

KERR-McGEE ROCKY MOUNTAIN  
CORPORATION

By: \_\_\_\_\_  
Name: James P. Wason  
Its: Attorney-in-Fact

ANADARKO LAND CORP.

By:   
Name: ROBERT M. MCCOMMON, JR.  
Its: Attorney-in-Fact *COR DNP*

DACONO PROPERTIES, LLC

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

  
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ACKNOWLEDGMENTS

STATE OF TEXAS )

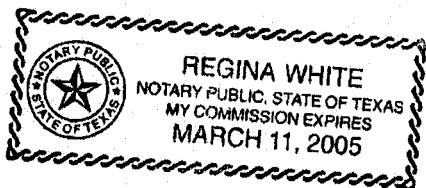
COUNTY OF MONTGOMERY )

ss.

The foregoing instrument was acknowledged before me this 8<sup>th</sup> day of July, 2003, by Robert M. McComma Jr. as attorney-in-fact for ANADARKO E&P COMPANY LP.

My Commission expires: 3-11-2005

Witness my hand and official seal.



Regina White  
Notary Public

STATE OF TEXAS )

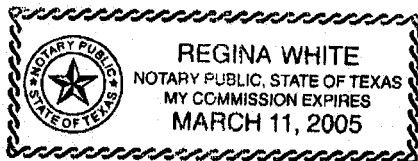
COUNTY OF MONTGOMERY )

ss.

The foregoing instrument was acknowledged before me this 8<sup>th</sup> day of July, 2003, by Robert M. McComma Jr. as attorney-in-fact for ANADARKO LAND CORP.

My Commission expires: 3-11-2005

Witness my hand and official seal.



Regina White  
Notary Public

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K.P. KAUFFMAN COMPANY, INC.

By: [Signature]  
Name: Cordell L. H. 16th Jr  
Its: Deputy Vice President

ANADARKO E&P COMPANY LP

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

KERR-McGEE ROCKY MOUNTAIN  
CORPORATION

By: \_\_\_\_\_  
Name: James P. Wason  
Its: Attorney-in-Fact

ANADARKO LAND CORP.

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

DACONO PROPERTIES, LLC

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_



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STATE OF COLORADO

City and County of Denver

)  
) ss.  
)

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2003, by James P. Wason, as Attorney-in-Fact for Kerr-McGee Rocky Mountain Corporation.

My Commission expires: \_\_\_\_\_.

*Witness my hand and official seal.*

\_\_\_\_\_  
Notary Public

STATE OF COLORADO

City and County of Denver

)  
) ss.  
)

The foregoing instrument was acknowledged before me this 22<sup>nd</sup> day of July, 2003, by Gordon L. Allott, Jr., as Exec. Vice President for K.P. Kauffman Company, Inc..

My Commission expires: 02/21/06.

*Witness my hand and official seal.*

*Ronda D. Gallup*  
Notary Public



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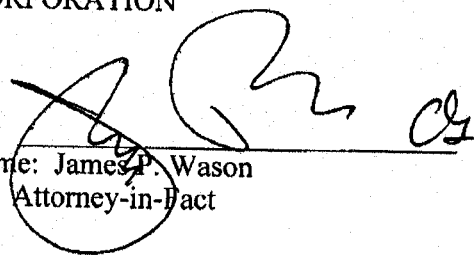
K.P. KAUFFMAN COMPANY, INC.

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

ANADARKO E&P COMPANY LP

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

KERR-McGEE ROCKY MOUNTAIN  
CORPORATION


By:   
Name: James P. Wason  
Its: Attorney-in-Fact

ANADARKO LAND CORP.

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

DACONO PROPERTIES, LLC

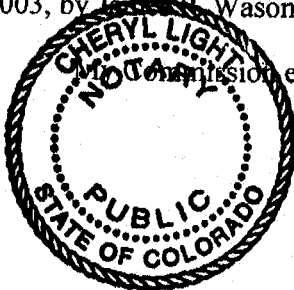
By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

  
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STATE OF COLORADO  
City and County of Denver

)  
) ss.  
)

The foregoing instrument was acknowledged before me this 16<sup>th</sup> day of June, 2003, by L. R. Wason, as Attorney-in-Fact for Kerr-McGee Rocky Mountain Corporation.



My Commission Expires 03/24/2004

My Commission expires: \_\_\_\_\_.

*Witness my hand and official seal.*

Cheryl Light  
Notary Public

STATE OF COLORADO  
City and County of Denver

)  
) ss.  
)

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2003, by \_\_\_\_\_, as \_\_\_\_\_ for K.P. Kauffman Company, Inc..

My Commission expires: \_\_\_\_\_.

*Witness my hand and official seal.*

\_\_\_\_\_  
Notary Public



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K.P. KAUFFMAN COMPANY, INC.

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

ANADARKO E&P COMPANY LP

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

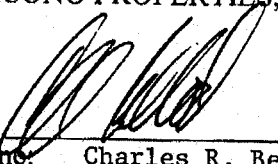
KERR-McGEE ROCKY MOUNTAIN  
CORPORATION


By: \_\_\_\_\_  
Name: James P. Wason  
Its: Attorney-in-Fact

ANADARKO LAND CORP.

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

DACONO PROPERTIES, LLC

By:   
Name: Charles R. Bellock  
Its: Manager

  
3089444 07/30/2003 02:49P Weld County, CO  
16 of 26 R 131.00 D 0.00 Steve Moreno Clerk & Recorder



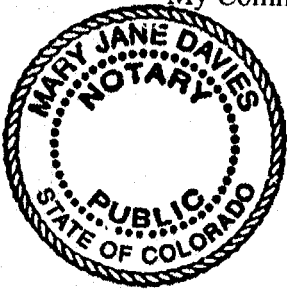
STATE OF COLORADO

City and County of Denver

)  
) ss.  
)

The foregoing instrument was acknowledged before me this 5 day of June, 2003, by Charles R. Bellock, as Manager for Dacono Properties, LLC.

My Commission expires: 11/22/06



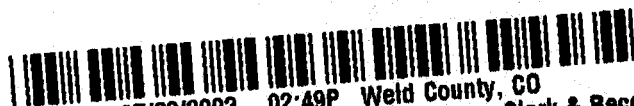
*Witness my hand and official seal.*

Mary Jane Davies  
Notary Public



3089444 07/30/2003 02:49P Weld County, CO  
17 of 26 R 131.00 D 0.00 Steve Moreno Clerk & Recorder

**EXHIBIT 1**

  
3089444 07/30/2003 02:49P Weld County, CO  
18 of 26 R 131.00 D 0.00 Steve Moreno Clerk & Recorder

**SWEETGRASS FILING NUMBER 1**

A PORTION OF LAND LOCATED IN THE EAST HALF OF SECTION 14, TOWNSHIP 1 NORTH, RANGE 68 WEST OF THE 6TH PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS:

COMMENCING AT THE EAST QUARTER CORNER OF SAID SECTION 14;  
THENCE S89°51'24"W, 30.00 FEET TO THE POINT OF BEGINNING;

THENCE S00°12'00"E, 2,572.40 FEET ALONG A LINE PARALLEL WITH AND 30.00 FEET WEST OF THE EAST LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 14;  
THENCE S88°56'56"W, 1,676.45 FEET ALONG A LINE PARALLEL WITH AND 30.00 FEET NORTH OF THE SOUTH LINE OF THE SAID SOUTHEAST QUARTER;

THENCE ALONG THE NORTHEASTERLY RIGHT OF WAY LINE OF THE UNION PACIFIC RAILROAD THE FOLLOWING THREE COURSES:

- 1) 692.13 FEET ALONG THE ARC OF A NON-TANGENT CURVE TO THE RIGHT, SAID ARC SUBTENDED BY A RADIUS OF 2,802.76 FEET, A CENTRAL ANGLE OF 14°08'56" AND A CHORD BEARING N42°44'04"W, 690.37 FEET;
- 2) N35°39'36"W, 674.84 FEET;
- 3) 1.02 FEET ALONG THE ARC OF A TANGENT CURVE TO THE LEFT, SAID ARC SUBTENDED BY A RADIUS OF 1,939.60 FEET, A CENTRAL ANGLE OF 00°01'49" AND A CHORD BEARING N35°40'31"W, 1.02 FEET TO THE NORTHERLY RIGHT OF WAY LINE OF THE STANDLEY LAKE CANAL;

THENCE ALONG SAID RIGHT OF WAY LINE THE FOLLOWING EIGHTEEN COURSES:

- 1) 6.64 FEET ALONG THE ARC OF A NON-TANGENT CURVE TO THE LEFT, SAID ARC SUBTENDED BY A RADIUS OF 69.58 FEET, A CENTRAL ANGLE OF 05°28'08" AND A CHORD BEARING N22°01'42"E, 6.64 FEET;
- 2) 42.31 FEET ALONG THE ARC OF A NON-TANGENT CURVE TO THE RIGHT, SAID ARC SUBTENDED BY A RADIUS OF 886.43 FEET, A CENTRAL ANGLE OF 02°44'05" AND A CHORD BEARING N23°06'45"E, 42.31 FEET;
- 3) N26°31'32"E, 68.47 FEET;
- 4) 171.26 FEET ALONG THE ARC OF A NON-TANGENT CURVE TO THE RIGHT, SAID ARC SUBTENDED BY A RADIUS OF 263.13 FEET, A CENTRAL ANGLE OF 37°17'24" AND A CHORD BEARING N44°05'43"E, 168.25 FEET;
- 5) 302.59 FEET ALONG THE ARC OF A NON-TANGENT CURVE TO THE RIGHT, SAID ARC SUBTENDED BY A RADIUS OF 2,895.16 FEET, A CENTRAL ANGLE OF 05°59'18" AND A CHORD BEARING N66°09'21"E, 302.46 FEET;
- 6) 144.46 FEET ALONG THE ARC OF A NON-TANGENT CURVE TO THE RIGHT, SAID ARC SUBTENDED BY A RADIUS OF 571.87 FEET, A CENTRAL ANGLE OF 14°28'24" AND A CHORD BEARING N73°37'58"E, 144.07 FEET;
- 7) N84°20'05"E, 134.43 FEET;
- 8) 165.33 FEET ALONG THE ARC OF A NON-TANGENT CURVE TO THE LEFT, SAID ARC SUBTENDED BY A RADIUS OF 319.50 FEET, A CENTRAL ANGLE OF 29°38'58" AND A CHORD BEARING N70°48'27"E, 163.49 FEET;
- 9) 123.42 FEET ALONG THE ARC OF A NON-TANGENT CURVE TO THE LEFT, SAID ARC SUBTENDED BY A RADIUS OF 2,528.06 FEET, A CENTRAL ANGLE OF 02°47'50" AND A CHORD BEARING N57°28'03"E, 123.40 FEET;
- 10) 205.82 FEET ALONG THE ARC OF A NON-TANGENT CURVE TO THE LEFT, SAID ARC SUBTENDED BY A RADIUS OF 765.64 FEET, A CENTRAL ANGLE OF 15°24'08" AND A CHORD BEARING N49°46'52"E, 205.20 FEET;
- 11) 202.63 FEET ALONG THE ARC OF A NON-TANGENT CURVE TO THE LEFT, SAID ARC SUBTENDED BY A RADIUS OF 425.78 FEET, A CENTRAL ANGLE OF 27°16'00" AND A CHORD BEARING N22°51'17"E, 200.72 FEET;

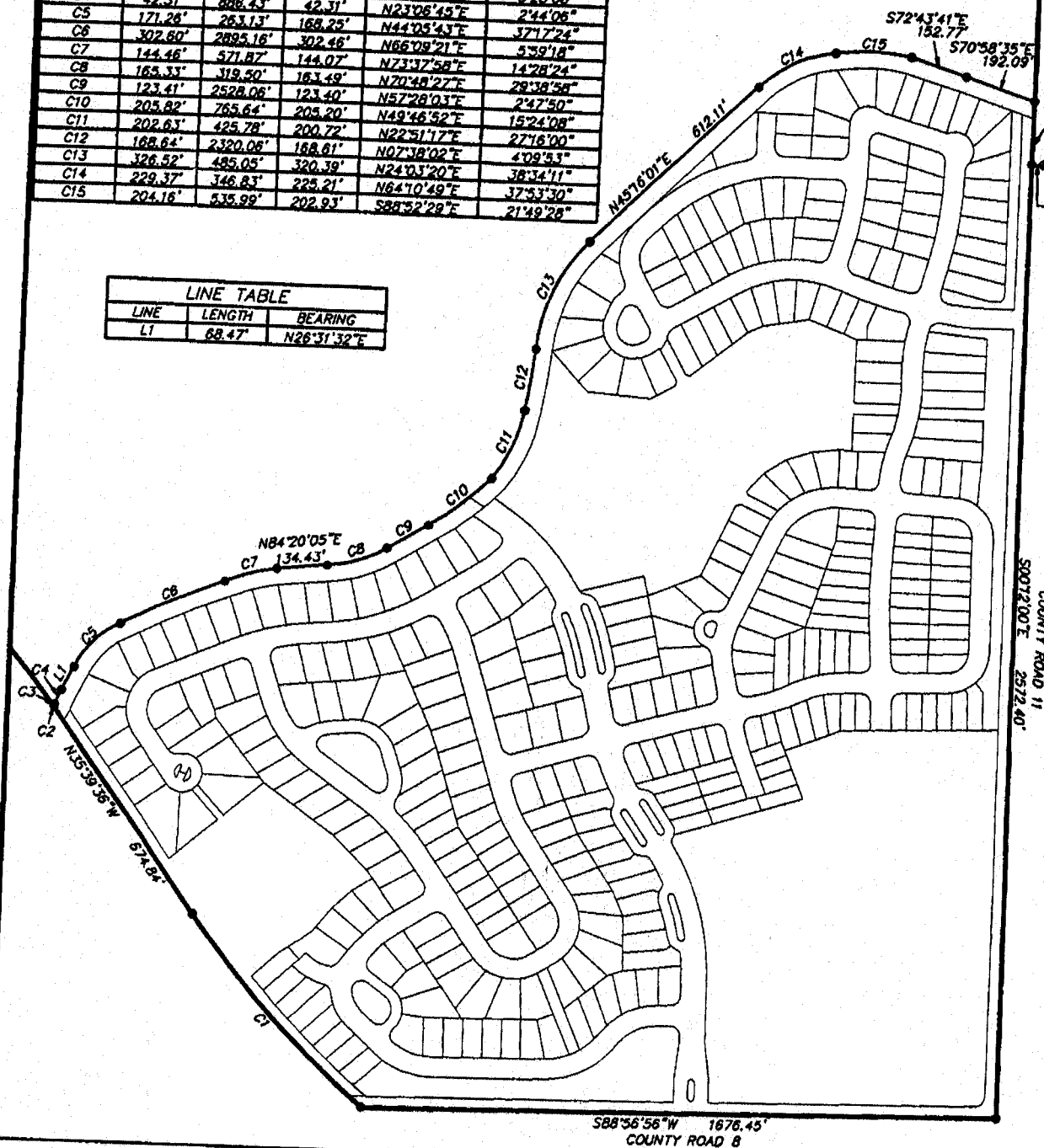
- 12) 168.64 FEET ALONG THE ARC OF A NON-TANGENT CURVE TO THE LEFT, SAID ARC SUBTENDED BY A RADIUS OF 2,320.06 FEET, A CENTRAL ANGLE OF 04°09'53" AND A CHORD BEARING N07°38'02"E, 168.61 FEET;
- 13) 326.52 FEET ALONG THE ARC OF A NON-TANGENT CURVE TO THE RIGHT, SAID ARC SUBTENDED BY A RADIUS OF 485.05 FEET, A CENTRAL ANGLE OF 38°34'11" AND A CHORD BEARING N24°03'20"E, 320.39 FEET;
- 14) N45°16'01"E, 612.11 FEET;
- 15) 229.37 FEET ALONG THE ARC OF A NON-TANGENT CURVE TO THE RIGHT, SAID ARC SUBTENDED BY A RADIUS OF 346.83 FEET, A CENTRAL ANGLE OF 37°53'30" AND A CHORD BEARING N64°10'49"E, 225.21 FEET;
- 16) 204.16 FEET ALONG THE ARC OF A NON-TANGENT CURVE TO THE RIGHT, SAID ARC SUBTENDED BY A RADIUS OF 535.99 FEET, A CENTRAL ANGLE OF 21°49'28" AND A CHORD BEARING S88°52'29"E, 202.93 FEET;
- 17) S72°43'41"E, 152.77 FEET;
- 18) S70°58'35"E, 192.09 FEET TO A POINT ON A LINE 30.00 FEET WEST OF AND PARALLEL WITH THE EAST LINE OF THE NORTHEAST QUARTER OF SECTION 14;
- THENCE S00°05'11"E, 170.56 FEET ALONG A LINE PARALLEL WITH AND 30.00 FEET WEST OF THE EAST LINE OF THE NORTHEAST QUARTER OF SECTION 14 TO THE POINT OF BEGINNING, CONTAINING 4,867,564 SQUARE FEET (111.74 ACRES).



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CURVE TABLE					
CURVE	LENGTH	RADIUS	CHORD	BEARING	DELTA
C1	692.13'	2802.76'	690.37'	N42°44'04"W	14°08'56"
C2	1.02'	1939.60'	1.02'	N35°40'31"W	0°01'49"
C3	6.64'	69.58'	6.64'	N22°01'42"E	5°28'08"
C4	42.31'	888.43'	42.31'	N23°06'45"E	2°44'08"
C5	171.28'	263.13'	168.25'	N44°05'43"E	37°17'24"
C6	302.80'	2895.16'	302.46'	N66°09'21"E	5°39'18"
C7	144.46'	571.87'	144.07'	N73°37'58"E	14°28'24"
C8	163.33'	319.50'	163.49'	N70°48'27"E	28°38'58"
C9	123.41'	2528.06'	123.40'	N57°28'03"E	2°47'50"
C10	203.82'	765.64'	203.20'	N49°46'32"E	15°24'08"
C11	202.63'	425.78'	200.72'	N22°51'17"E	27°16'00"
C12	168.64'	2320.06'	168.61'	N07°38'02"E	4°09'53"
C13	326.52'	485.05'	320.39'	N24°03'20"E	38°34'11"
C14	229.37'	346.83'	225.21'	N64°10'49"E	37°53'30"
C15	204.16'	535.99'	202.93'	S88°32'28"E	21°49'28"

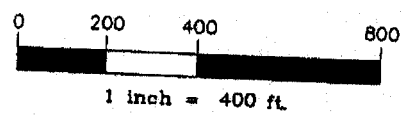
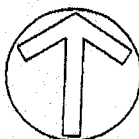
LINE TABLE		
LINE	LENGTH	BEARING
L1	68.47'	N26°31'32"E



EAST 1/4 COR.  
SEC. 14, T1N  
R68W, 6TH PM  
S89°54'49"W  
30.00'

COUNTY ROAD 11  
S00°12'00"E  
2522.40'

S88°56'56"W 1676.45'  
COUNTY ROAD 8



CLIENT: COMMUNITY DEVELOPMENT GROUP  
2500 ARAPAHOE AVE., SUITE 220  
BOULDER CO 80302  
303-442-2299

SWEETGRASS FILING NO. 1  
OUTER BOUNDARY  
DACONO, COLORADO

SCALE HOR. 1" = 400'  
VERT. N/A  
DESIGN/APP. \_\_\_\_\_  
DRAWN BY: BD  
DATE: 10/11/02

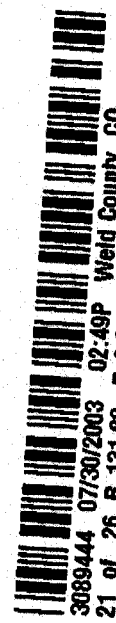


HURST & ASSOCIATES, INC.  
CONSULTING ENGINEERS  
4099 Pearl East Circle, Suite 108  
Boulder, Colorado 80504 (303) 449-9465

ORG: 02/25/02  
REV: 10/11/02

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SHEET 1 OF 1



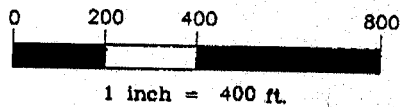
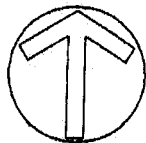
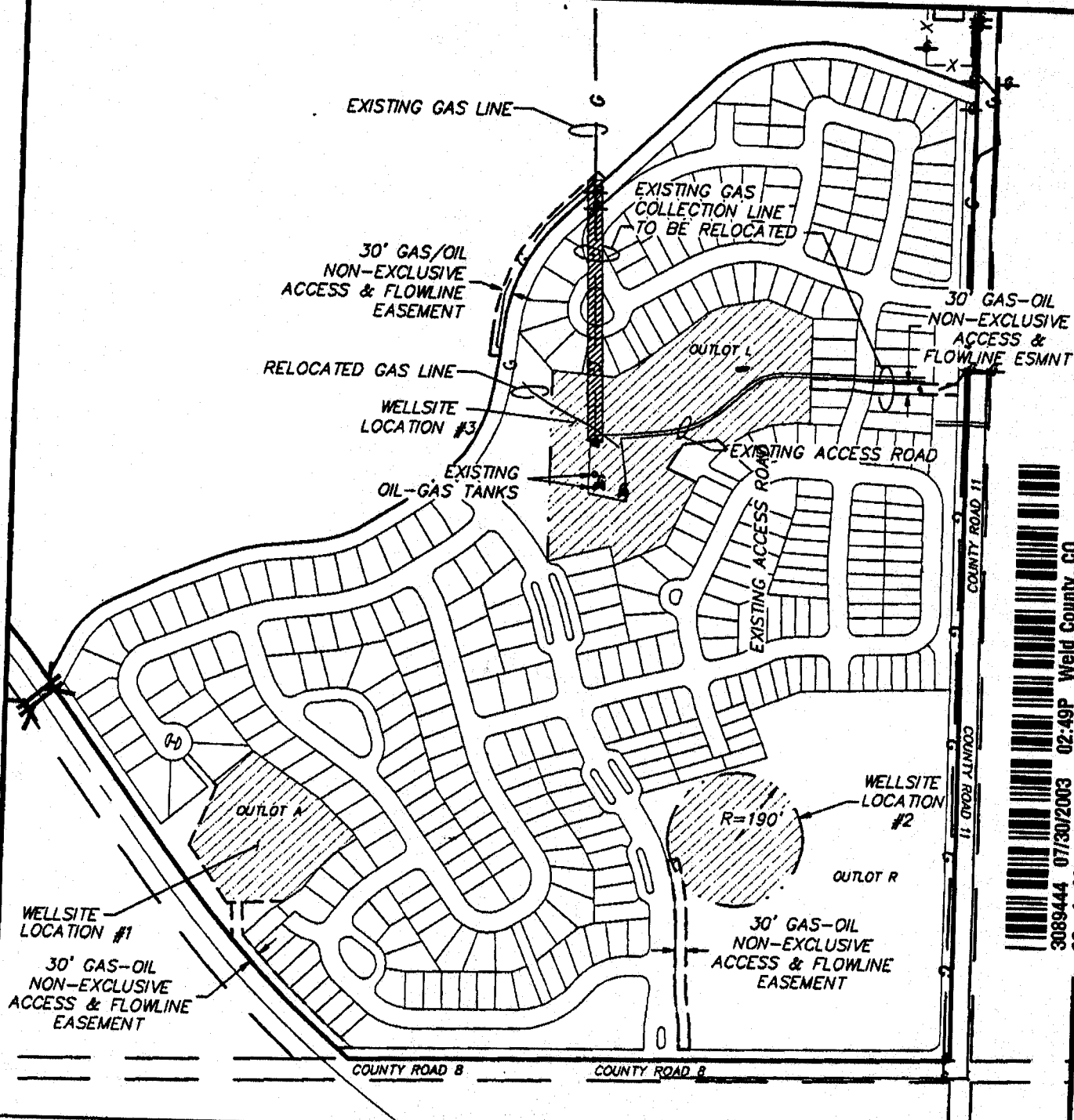
21 of 26 R 131.00 D 0.00 Steve Moreno Clerk & Recorder

## EXHIBIT 2



3089444 07/30/2003 02:49P Weld County, CO  
22 of 26 R 131.00 D 0.00 Steve Moreno Clerk & Recorder

# WELLSITE EXHIBIT #2



CLIENT: COMMUNITY DEVELOPMENT GROUP  
2500 ARAPAHOE AVE., SUITE 220  
BOULDER CO 80302  
303-442-2299

ORG: 02/21/02  
REV: 04/12/02  
REV: 05/13/02  
REV: 10/11/02  
REV: 03/28/03

SCALE: HOR. 1"=400'  
VERT. N/A  
DESIGN/APPR.  
DRAWN BY: BO  
DATE: 03/28/03

SWEETGRASS  
FILING NO. 1  
DACONO, COLORADO

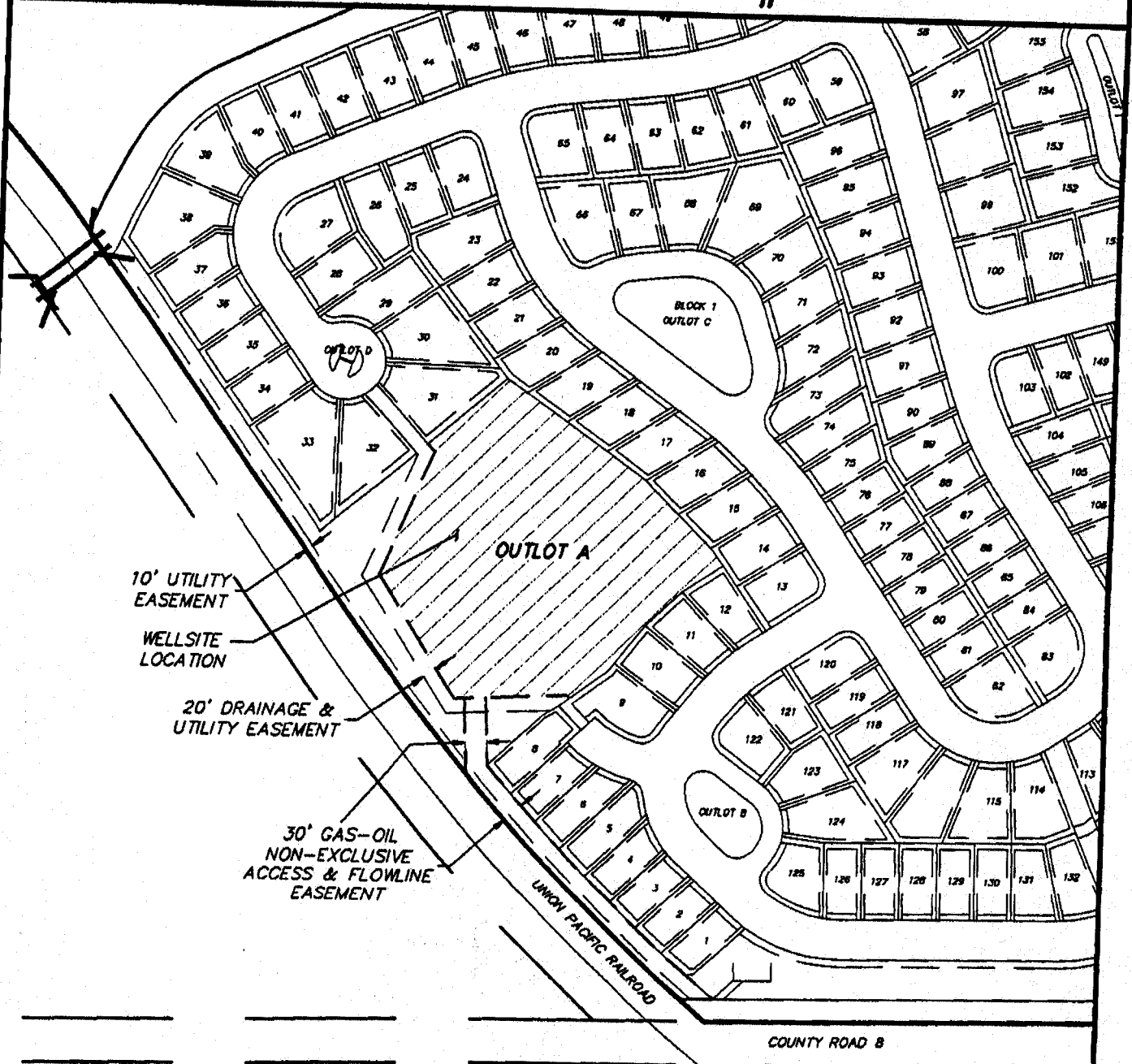


HURST & ASSOCIATES, INC.  
CONSULTING ENGINEERS  
4000 Pearl East Circle, Suite 100  
Boulder, Colorado 80503 (303) 440-0000

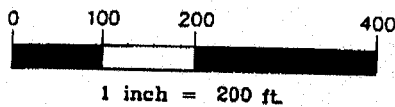
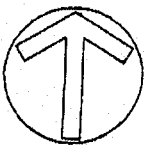
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SHEET 1 OF 1

# WELLSITE EXHIBIT #2



3089444 07/30/2003 02:49P Weld County, CO  
24 of 26 R 131.00 D 0.00 Steve Moreno Clerk & Recorder



CLIENT: COMMUNITY DEVELOPMENT GROUP  
2500 ARAPAHOE AVE., SUITE 220  
BOULDER CO 80302  
303-442-2299

ORG: 10/12/02  
REV: 03/28/03

**SWEETGRASS  
FILING NO. 1  
WELLSITE #1**

SCALE: HOR. 1"=200'  
VERT. N/A  
DESIGN/APPR.  
DRAWN BY: BO  
DATE: 03/28/03  
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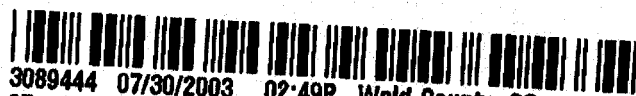
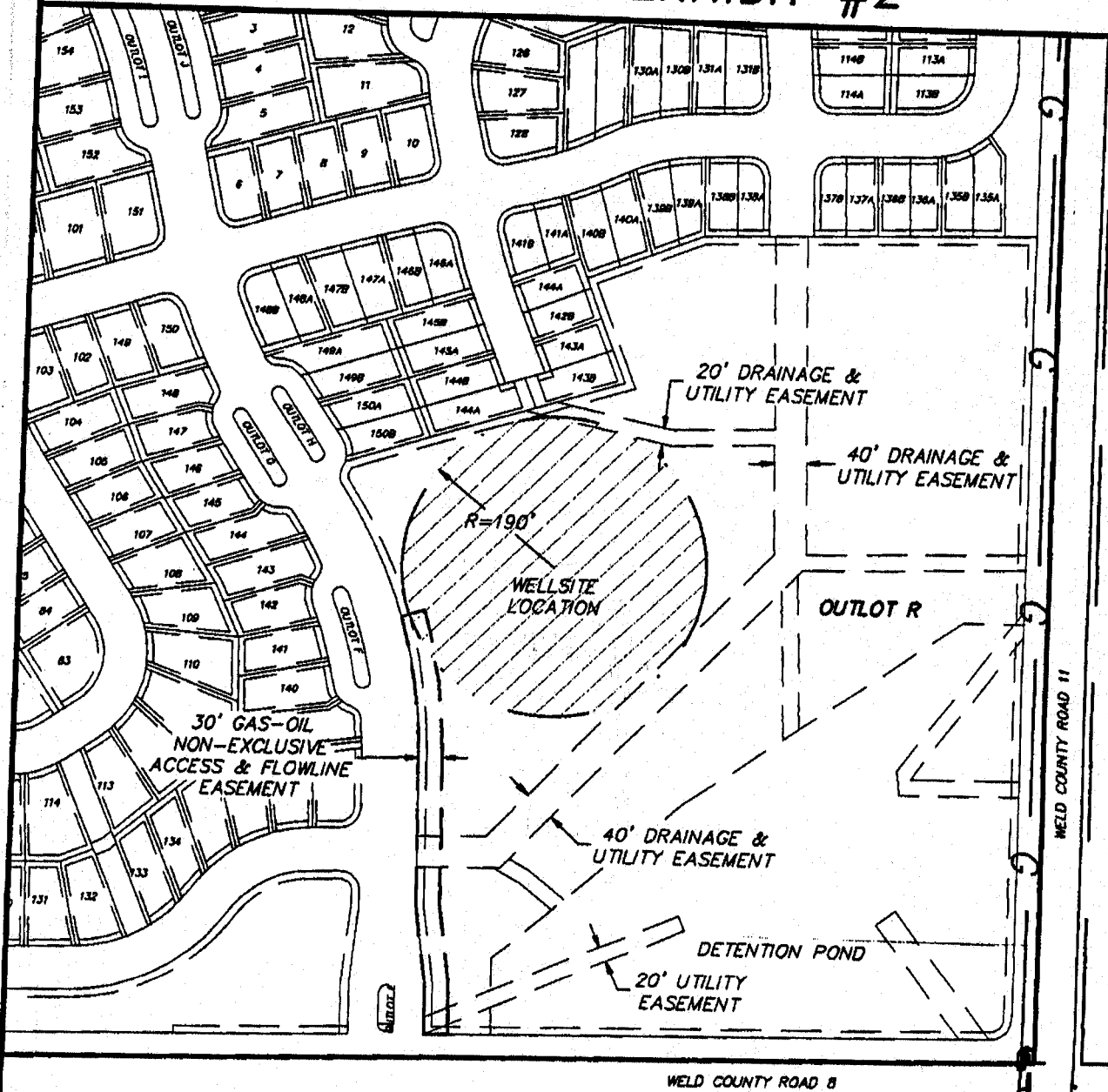


**HURST & ASSOCIATES, INC.**  
CONSULTING ENGINEERS  
4909 Pearl East Circle, Suite 100  
Boulder, Colorado 80504 (303) 440-8100

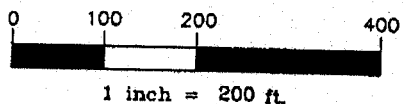
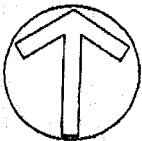
SHEET 1 OF 1



# WELLSITE EXHIBIT #2



3089444 07/30/2003 02:49P Weld County, CO  
25 of 26 R 131.00 D 0.00 Steve Moreno Clerk & Recorder



CLIENT: COMMUNITY DEVELOPMENT GROUP  
2500 ARAPAHOE AVE., SUITE 220  
BOULDER CO 80302  
303-442-2299

ORG: 02/21/02  
REV: 05/13/02  
REV: 10/11/02  
REV: 03/28/03

SWEETGRASS  
FILING NO. 1  
WELLSITE #2

SCALE: HOR. 1"=200'  
VERT. N/A

DESIGN/APPL.  
DRAWN BY: BO  
DATE: 03/28/03



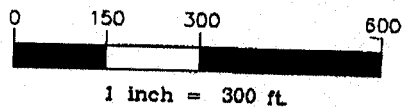
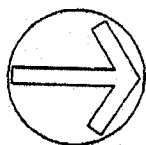
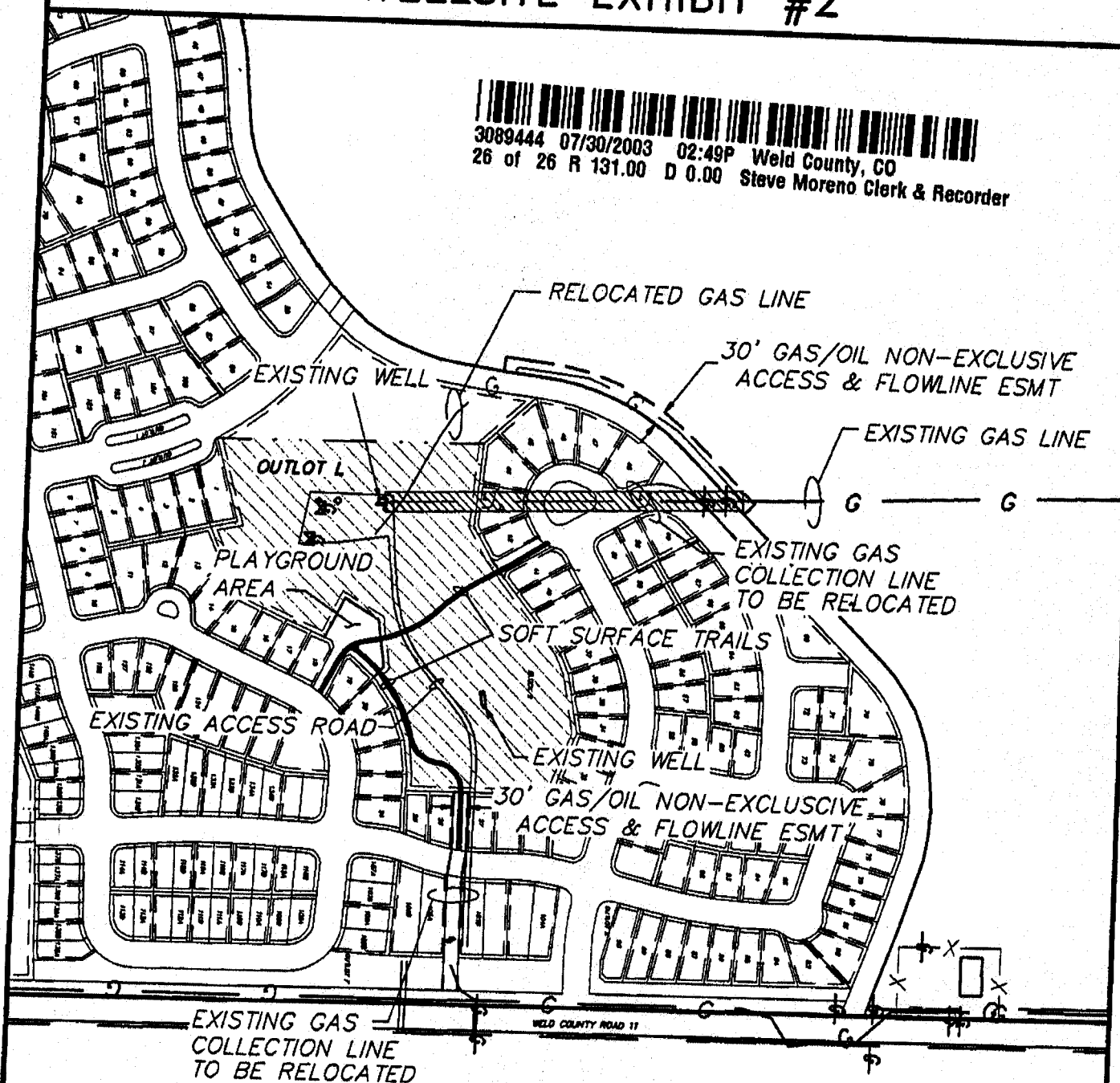
HURST & ASSOCIATES, INC.  
CONSULTING ENGINEERS  
4800 Pearl East Circle, Suite 100  
Boulder, Colorado 80508 (303) 440-0800

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SHEET 1 OF 1

# WELLSITE EXHIBIT #2

3089444 07/30/2003 02:49P Weld County, CO  
26 of 26 R 131.00 D 0.00 Steve Moreno Clerk & Recorder



CLIENT: COMMUNITY DEVELOPMENT GROUP  
2500 ARAPAHOE AVE., SUITE 220  
BOULDER CO 80302  
303-442-2299

ORG: 10/11/02  
REV: 11/11/02  
REV: 01/13/03  
REV: 03/28/03

SCALE HOR. 1"=300'  
VERT. N/A  
DESIGN/APPL.  
DRAWN BY BO  
DATE 03/28/03  
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SWEETGRASS  
FILING NO. 1  
WELLSITE #3



HURST & ASSOCIATES, INC.  
CONSULTING ENGINEERS  
4000 Pearl East Circle, Suite 100  
Boulder, Colorado 80504 (303) 440-8100

SHEET 1 OF 1