

Well Name: Arapaho-State 6-81-36-3

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COGCC

## SURFACE USE AND ROAD ACCESS AGREEMENT

This agreement, made and entered this 1st day of November, 2010, by and between The Arapaho Ranch Corporation, whose address is 925 Park Ave. #9B, NY, NY 10028, (hereinafter referred to as "Owner"), and Dakota Exploration, LLC, whose address is 7711 E 111<sup>th</sup> St, Ste 118, Tulsa, OK 74133, (hereinafter referred to as "Operator") (collectively referred to herein as the "Parties").

## WITNESSETH:

For and in consideration of the covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Operator intends to drill, or cause to be drilled, an oil and/or gas well ("Well") at a legal location on the following described lands ("Lands") as shown on accompanying map:

Township 6 North, Range 81 West, 6<sup>th</sup> P.M.  
 Section 36: NE1/4  
 located approximately 884' ENL and 1,800' FWL  
 Jackson County, Colorado

2. In order for Operator to drill, construct, complete, produce, maintain and operate the Well and all associated pipelines, power lines and other facilities or property of Operator associated with said Well, it is necessary that Operator enter and utilize the Lands. The Parties hereby agree to compensation for the damages, entry and surface use thereof.
3. Operator shall pay Owner the [REDACTED]. Owner hereby acknowledges that the Amount represents full, final and agreed-upon total compensation for all damages caused or created by reason of the reasonable and customary ingress, egress, rights-of-way, drilling, completion, production and maintenance operations and well location, except as provided for below. Payment shall be made prior to commencement of drilling operations.
4. Operator shall bury all pipelines below normal plow depth, and shall [REDACTED] surface damages on [REDACTED] related pipelines (water, gas, and buried utility lines). Operator shall inform Owner prior to constructing any other facilities on the lands. Operator shall mark the location of all pipelines, "dead men," and other obstructions, in such a manner so that their identity and their location can be determined without difficulty. Payment shall be made after burial of pipelines.
5. All drillsite pits shall be fenced, until filled within 180 to 365 days after completion of any well so drilled on said lands, subject to pit moisture and weather. Within one year of cessation of all production of this well or six months after the time this well has been plugged and abandoned, weather permitting, Operator agrees, at its expense, to complete reclamation of the surface of the subject lands and access road as nearly as practicable to the condition in which the same was found prior to the commencement of Operator's oil and gas operations, including removal of all Operator's equipment and material.
6. Any loss or damage to livestock caused by the drilling of said well on the above described land [REDACTED]
7. On all locations drilled, Operator agrees, at its expense, to restore the surface, as nearly as practicable, to the condition which existed prior to commencement of drilling operations. Reclamation includes a sturdy fence around drill site, which can be removed by owner when owner determines the vegetation has sufficiently recovered to allow grazing.
8. Access roads shall be reasonably maintained, and only one access road per well shall be used. Operator agrees to consult with Owner as to routes of ingress and egress for any wells drilled on the above-described lands, in an attempt to minimize damages to the above-described lands. Owner agrees not to unnecessarily withhold his consent as to routes of ingress and egress.
9. In the event said Well is completed as a producer, said Right-of-Way so granted herein shall remain in full force and effect and shall continue until such time as said well is plugged and abandoned, and final restoration is complete.
10. Except as to any extraordinary or unanticipated loss or damage, Owner does hereby release and hold harmless Operator from any and all liability of any nature and further payment for damages on the lands which arise or may arise out of or in connection with the well or other facilities constructed by Operator on the lands for as long as operations are being conducted by Operator, its agents, successors or assigns. Anticipated damages from normal drilling, completion, and ongoing operations include, and are limited to: straightening and widening of road; building drilling pad of approx. 3 acres; open water-storage pit during drilling and completion operations; burial of pipelines/utilities; vehicular traffic on road and adjacent to drill pad; workover rig activity post-completion as-needed; and occasional discharge of non-toxic water.

11. Notice by either party shall be promptly given, orally if possible, and immediately mailed to:

**Owner**  
 The Arapaho Ranch Corporation  
 925 Park Ave. #9B  
 NY, NY 10028  
 212-558-3740

**Operator**  
 Dakota Exploration, LLC  
 7711 E 111<sup>th</sup> St, Ste 118  
 Tulsa, OK 74133  
 918-806-8687

This CONFIDENTIAL agreement shall be binding on and inure to the benefit of the Parties, their respective heirs, successors, personal representatives, agents, tenants, purchasers and assigns. Terms of this agreement may not be disclosed to other parties.

IN WITNESS WHEREOF, the parties hereto set their hands, the day and year first above-written.

By: Benjamin F. Stapleton, III  
 President

By: James C. Eggo CPL  
 Authorized Agent for Operator