

SURFACE USE AND SETTLEMENT AGREEMENT  
BETWEEN  
THE COLORADO DIVISION OF WILDLIFE  
AND  
WILLIAMS PRODUCTION RMT COMPANY

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This SURFACE USE and SETTLEMENT AGREEMENT ("Agreement") is made and entered into this 8<sup>th</sup> day of May, 2002 ("Effective Date"), by and between the STATE OF COLORADO acting by and through the DEPARTMENT OF NATURAL RESOURCES, for the use and benefit of the DIVISION OF WILDLIFE and WILDLIFE COMMISSION, whose address is 6060 Broadway, Denver, Colorado 80216 ("DOW" or "State"), and WILLIAMS PRODUCTION RMT COMPANY ("Williams"), whose address is 1515 Arapahoe Street, Tower 3, Suite 1000, Denver, Colorado, 80202. Williams and the DOW are sometimes referred to individually as a "Party" and collectively as the "Parties."

RECITALS

- A. WHEREAS, the State represents that it is the surface owner of a parcel of land approximately 29,940 acres in size located in Las Animas County, Colorado, the legal description for which is more particularly described on Exhibit A ("Property"); and
- B. WHEREAS, Williams represents that it owns or has the right to drill for, extract, remove, and dispose of oil and gas, as provided by lease, deed, or other agreement ("Oil and Gas"), underlying the Property, together with the right to build and maintain necessary improvements thereupon; and
- C. WHEREAS, Williams has recently drilled twenty (20) wells on the Property for the production of Oil and Gas, the identification information for which is described on Exhibit B ("Existing Wells"); and
- D. WHEREAS, Williams has recently constructed approximately 70,715 feet of access roads on the Property, the general location of which is depicted on Exhibit C ("Existing Roads"); and
- E. WHEREAS, on December 5, 2001 Williams submitted to the DOW a proposed annual development plan for Oil and Gas Activities to be conducted on the Property during 2002, and the Parties have cooperatively consulted and begun carrying out activities under that plan.
- F. WHEREAS, the Parties wish to settle all damages attributable to the Existing Wells and Existing Roads; and
- G. WHEREAS, Williams desires (i) to construct additional access roads on the Property ("New Roads"); (ii) to drill more wells on the Property for the production of Oil and Gas ("New Wells"); and (iii) to conduct other operations on the Property for exploration and development of its Oil and Gas rights; and

STATE OF COLORADO

Bill Owens, Governor

By: Walter D. Groul

For the Director of the Division of Wildlife for the  
Executive Director of the Department of Natural Resources,  
and on behalf of the Colorado Wildlife Commission

STATE OF COLORADO )

COUNTY OF Adams ) ss.

The foregoing instrument was acknowledged before me the 8<sup>th</sup> day of May, 2002, by  
Walter D. Groul, Administrator acting on behalf of the State of Colorado, Department of  
Natural Resources, benefiting the Division of Wildlife and the Colorado Wildlife Commission.

Witness my hand and official seal.

My Commission expires: 1.28.04

(Seal)

[Signature]  
NOTARY PUBLIC

Golden CO 80403

WILLIAMS PRODUCTION RMT COMPANY

By: Diane Zavalil

STATE OF COLORADO )  
CITY AND ) ss.  
COUNTY OF DENVER )

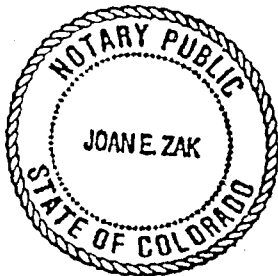
This instrument was acknowledged before me this 3<sup>rd</sup> day of April, 2002, by  
Alene Zavalil of Williams Production RMT Company.

Witness my hand and official seal.

My Commission expires: 2/8/2004

(Seal)

Joane E. Zak  
NOTARY PUBLIC



## EXHIBIT "A"

A tract of land located in Las Animas County, Colorado, portions lying within the Beaubien and Miranda Grant, commonly known as the Maxwell Land Grant, located south of the north line of the Maxwell Grant, and other portions of land located between the Maxwell Grant north line and the centerline of Highway 12 as described in records in the office of the State Highway Department, Denver, Colorado, all in unsurveyed Townships 33 and 34 South, Ranges 67 and 68 West, 6th PM., TO WIT:

BEGINNING AT THE POINT OF INTERSECTION OF THE NORTH LINE OF THE MAXWELL LAND GRANT AND THE EASTERLY RIGHT OF WAY OF THE ABANDONED SOUTH FORK BRANCH OF THE COLORADO AND WYOMING RAILWAY, FROM WHICH POINT A 40# RAIL MARKED BM#7 BEARS S 72° 37' 34" E, 396.00 FEET;

THENCE SOUTHWESTERLY ALONG THE EASTERLY LINE OF THE ABANDONED SOUTH FORK BRANCH OF THE COLORADO AND WYOMING RAILWAY FOR THE FOLLOWING 22 COURSES AND DISTANCES:

1. S 61° 50' 48" W, 354.58 FEET TO A POINT OF CURVE;
2. ALONG THE ARC OF A CURVE TO THE LEFT, HAVING A RADIUS OF 2814.79 FEET, AN ARC DISTANCE OF 508.47 FEET. (THE CHORD OF SAID CURVE BEARS S 56° 40' 18" W, 507.78 FEET);
3. S 51° 29' 48" W, 3215.59 FEET TO A POINT OF CURVE;
4. THENCE ALONG THE ARC OF A CURVE TO THE LEFT, HAVING A RADIUS OF 2814.79 FEET, AN ARC DISTANCE OF 1246.20 FEET. (THE CHORD OF SAID CURVE BEARS S 38° 48' 48" W, 1236.04 FEET);
5. S 26° 07' 48" W, 793.70 FEET TO A POINT OF CURVE,
6. ALONG THE ARC OF A CURVE TO THE RIGHT, HAVING A RADIUS OF 2914.79 FEET, AN ARC DISTANCE OF 317.11 FEET. (THE CHORD OF SAID CURVE BEARS S 29° 14' 48" W, 316.95 FEET);
7. S 32° 21' 48" W, 980.70 FEET TO A POINT OF CURVE,
8. ALONG THE ARC OF A CURVE TO THE RIGHT, HAVING A RADIUS OF 1959.86 FEET, AN ARC DISTANCE OF 803.85 FEET. (THE CHORD OF SAID CURVE BEARS S 44° 06' 48" W, 798.23 FEET);
9. S 55° 51' 48" W, 192.70 FEET TO A POINT OF CURVE,
10. S 54° 44' 19" W, 111.00 FEET TO A POINT,
11. ALONG THE ARC OF A CURVE TO THE LEFT, HAVING A RADIUS OF 904.93 FEET, AN ARC DISTANCE OF 459.50 FEET. (THE CHORD OF SAID CURVE BEARS S 37° 53' 48" W, 454.58 FEET);
12. S 21° 03' 17" W, 111.00 FEET TO A POINT,
13. S 19° 55' 48" W, 3423.70 FEET TO A POINT OF CURVE,
14. ALONG THE ARC OF A CURVE TO THE RIGHT, HAVING A RADIUS OF 1969.86 FEET, AN ARC DISTANCE OF 589.05 FEET. (THE CHORD OF SAID CURVE BEARS S 28° 29' 48" W, 586.86 FEET);
15. S 37° 03' 48" W, 1735.89 FEET TO A POINT OF CURVE,
16. ALONG THE ARC OF A CURVE TO THE RIGHT, HAVING A RADIUS OF 1482.39 FEET, AN ARC DISTANCE OF 422.59 FEET. (THE CHORD OF SAID CURVE BEARS S 45° 13' 48" W, 421.16 FEET);
17. S 53° 23' 48" W, 148.13 FEET TO A POINT,
18. S 52° 16' 19" W, 111.00 FEET TO A POINT OF CURVE,
19. ALONG THE ARC OF A CURVE TO THE LEFT, HAVING A RADIUS OF 904.93 FEET, AN ARC DISTANCE OF 336.57 FEET. (THE CHORD OF SAID CURVE BEARS S 39° 19' 18" W, 334.63 FEET);
20. S 26° 22' 17" W, 111.00 FEET TO A POINT,
21. S 25° 14' 48" W, 564.12 FEET TO A POINT,
22. ALONG THE ARC OF A CURVE TO THE RIGHT, HAVING A RADIUS OF 1482.39 FEET, AN ARC DISTANCE OF 276.43 FEET. (THE CHORD OF SAID CURVE BEARS S 30° 29' 20" W, 276.03 FEET) TO A POINT MARKING THE SOUTHWEST CORNER OF THAT TRACT CONVEYED TO FRANK AND NORA R. PARSONS BY THE COLORADO FUEL AND IRON COMPANY BY DEED DATED JANUARY 3, 1946 AND RECORDED IN BOOK 508, PAGE 314 OF THE LAS ANIMAS COUNTY RECORDS;

THENCE LEAVING THE RAILROAD IN A SOUTHEASTERLY DIRECTION AND ALONG THE SOUTHERLY LINE OF SAID PARSONS TRACT FOR THE FOLLOWING 8 COURSES AND DISTANCES:

1. S 51° 43' 55" E, 110.03 FEET TO A POINT;
2. S 68° 59' 55" E, 790.07 FEET TO A POINT;
3. S 52° 00' 35" E, 791.25 FEET TO A POINT;
4. S 53° 19' 32" E, 189.37 FEET TO A POINT;
5. S 55° 44' 26" E, 2135.05 FEET TO A POINT;
6. S 56° 09' 25" E, 946.87 FEET TO A POINT;
7. S 57° 01' 23" E, 990.23 FEET TO A POINT;
8. S 52° 11' 35" E, 1227.34 FEET TO A POINT;

THENCE DEPARTING SAID SOUTHERLY LINE OF SAID PARSONS TRACT S 16° 12' 31" E, 272.87 FEET TO AN IRON PIN AT A FENCE CORNER:

THENCE SOUTHWESTERLY ALONG A FENCE ATOP THE RIDGE BETWEEN THE LORENCITO CANYON DRAINAGE AND THE SOUTH FORK OF THE PURGATOIRE RIVER FOR THE FOLLOWING 45 COURSES AND DISTANCES:

1. S 71° 31' 30" W, 3268.19 FEET TO A POINT;
2. S 48° 56' 12" W, 528.47 FEET TO A POINT;
3. S 51° 36' 35" W, 769.27 FEET TO A POINT;
4. S 48° 08' 22" W, 268.32 FEET TO A POINT;
5. S 21° 17' 31" W, 559.85 FEET TO A POINT;
6. S 09° 57' 34" W, 862.72 FEET TO A POINT;
7. S 28° 10' 22" W, 379.00 FEET TO A POINT;
8. S 49° 37' 45" W, 610.66 FEET TO A POINT;
9. S 60° 04' 40" W, 882.10 FEET TO A POINT;
10. S 55° 13' 22" W, 152.29 FEET TO A POINT;
11. S 52° 00' 22" W, 363.43 FEET TO A POINT;
12. S 52° 46' 09" W, 639.49 FEET TO A POINT;
13. S 53° 17' 22" W, 1366.07 FEET TO A POINT;
14. S 43° 15' 42" W, 171.48 FEET TO A POINT;
15. S 12° 19' 04" W, 631.85 FEET TO A POINT;
16. S 31° 33' 07" W, 436.59 FEET TO A POINT;
17. S 39° 31' 07" W, 1237.00 FEET TO A POINT;
18. S 27° 29' 37" W, 121.44 FEET TO A POINT;
19. S 17° 59' 17" W, 324.20 FEET TO A POINT;
20. S 20° 47' 02" W, 341.63 FEET TO A POINT;
21. S 31° 24' 17" W, 294.82 FEET TO A POINT;
22. S 26° 05' 02" W, 309.86 FEET TO A POINT;
23. S 30° 31' 22" W, 246.11 FEET TO A POINT;
24. S 44° 55' 22" W, 175.88 FEET TO A POINT;
25. S 70° 04' 22" W, 558.90 FEET TO A POINT;
26. S 70° 38' 42" W, 535.77 FEET TO A POINT;
27. S 77° 00' 42" W, 294.61 FEET TO A POINT;
28. S 72° 48' 12" W, 297.28 FEET TO A POINT;
29. S 63° 30' 42" W, 256.80 FEET TO A POINT;
30. S 89° 29' 57" W, 226.00 FEET TO A POINT;
31. S 89° 14' 42" W, 563.22 FEET TO A POINT;
32. N 81° 42' 08" W, 230.33 FEET TO A POINT;
33. N 84° 00' 38" W, 156.27 FEET TO A POINT;
34. N 89° 21' 23" W, 398.83 FEET TO A POINT;
35. S 71° 41' 06" W, 851.93 FEET TO A POINT;
36. S 80° 54' 37" W, 424.35 FEET TO A POINT;

37. N 79° 29' 43" W, 687.04 FEET TO A POINT;
38. N 80° 43' 43" W, 287.10 FEET TO A POINT;
39. N 66° 58' 58" W, 309.56 FEET TO A POINT;
40. S 85° 54' 12" W, 98.60 FEET TO A POINT;
41. S 66° 56' 47" W, 417.76 FEET TO A POINT;
42. S 74° 21' 27" W, 361.27 FEET TO A POINT;
43. N 76° 54' 33" W, 297.12 FEET TO A POINT;
44. N 78° 54' 33" W, 242.23 FEET TO A POINT;
45. N 83° 37' 18" W, 389.56 FEET TO A POINT;

THENCE LEAVING THE FENCE AND THE RIDGE BETWEEN THE LORENCITO CANYON DRAINAGE AND THE SOUTH FORK OF THE PURGATOIRE RIVER AND CROSSING GALLEGOS CANYON IN A WESTERLY DIRECTION FOR THE FOLLOWING 2 COURSES AND DISTANCES:

1. S 89° 19' 21" W, 3755.62 FEET TO A POINT;
2. N 86° 38' 20" W, 1685.57 FEET TO A POINT ON THE RIDGE BETWEEN GALLEGOS CANYON AND LEON CANYON;

THENCE ALONG THE TOP OF THE RIDGE BETWEEN GALLEGOS CANYON AND LEON CANYON IN A SOUTHWESTERLY DIRECTION FOR THE FOLLOWING 10 COURSES AND DISTANCES;

1. S 26° 26' 33" W, 2062.16 FEET TO A POINT;
2. S 70° 32' 45" W, 249.84 FEET TO A POINT;
3. S 62° 02' 30" W, 428.69 FEET TO A POINT;
4. S 60° 07' 30" W, 441.37 FEET TO A POINT;
5. S 48° 46' 32" W, 972.46 FEET TO A POINT;
6. S 76° 33' 58" W, 2241.47 FEET TO A POINT;
7. S 71° 04' 29" W, 768.28 FEET TO A POINT;
8. N 74° 46' 37" W, 1718.32 FEET TO A POINT;
9. S 83° 17' 22" W, 804.14 FEET TO A POINT;
10. S 82° 03' 58" W, 528.79 FEET TO A POINT AT THE HEAD OF LEON CANYON;

THENCE NORTHWESTERLY ATOP A RIDGE BETWEEN LEON CANYON AND DURAN CANYON FOR THE FOLLOWING 8 COURSES AND DISTANCES;

1. N 10° 05' 18" W, 1968.94 FEET TO A POINT;
2. N 04° 00' 28" W, 852.02 FEET TO A POINT;
3. N 34° 10' 46" E, 509.81 FEET TO A POINT;
4. N 37° 30' 09" W, 1283.65 FEET TO A POINT;
5. N 00° 39' 46" E, 524.64 FEET TO A POINT;
6. N 41° 44' 58" W, 253.13 FEET TO A POINT;
7. N 65° 08' 54" W, 348.43 FEET TO A POINT;
8. N 31° 58' 00" W, 1394.58 FEET TO A POINT;

THENCE LEAVING THE RIDGE AND CROSSING THE VALLEY OF THE SOUTH FORK OF THE PURGATOIRE RIVER AND IN A WESTERLY DIRECTION ATOP THE RIDGE NORTH OF THE TERCIO VALLEY FOR THE FOLLOWING 12 COURSES AND DISTANCES;

1. N 63° 10' 54" W, 4416.10 FEET TO A POINT;
2. N 68° 46' 28" W, 2516.89 FEET TO A POINT;
3. N 63° 38' 24" W, 1096.77 FEET TO A POINT;
4. N 50° 06' 55" W, 151.69 FEET TO A POINT;
5. N 15° 57' 42" W, 361.25 FEET TO A POINT;
6. N 84° 12' 16" W, 180.86 FEET TO A POINT;
7. N 29° 15' 11" W, 407.74 FEET TO A POINT;

8. N 08° 48' 27" W. 324.73 FEET TO A POINT;
9. N 11° 56' 31" E. 251.99 FEET TO A POINT;
10. N 23° 39' 11" W. 1004.08 FEET TO A POINT;
11. N 19° 55' 06" E. 313.97 FEET TO A POINT;
12. N 49° 44' 04" W. 309.30 FEET TO A POINT;

THENCE LEAVING THE NORTH RIDGE OF THE TERCIO VALLEY AND RUNNING N. 02° 38' 47" W. CROSSING BANDARITO CANYON, LEFT HAND FORK AND THE MAIN FORK OF APACHE CANYON A DISTANCE OF 18,320.75 FEET TO A POINT ON THE NORTH RIDGE OF APACHE CANYON; THENCE N 89° 27' 54" E, 1799.66 FEET TO A POINT THENCE N 00° 02' 24" W, 5703.33 FEET TO A POINT; THENCE S 89° 57' 36" W, 1474.58 FEET TO A POINT, ATOP AND SOUTH OF BALL (STORZ) MEADOWS, THENCE ALONG THE EASTERLY LINE OF SAID BALL (STORZ) MEADOWS THE FOLLOWING 3 COURSES AND DISTANCES:

1. N 20° 23' 02" E, 846.63 FEET TO A POINT,
2. N 21° 54' 04" E, 625.63 FEET TO A POINT,
3. N 02° 12' 56" E, 1783.53 FEET TO THE POINT OF TERMINUS OF THE COLORADO & WYOMING RAILWAY COMPANY RIGHT OF WAY;

THENCE N 17° 34' 14" W, 113.23 FEET ON SAID TERMINAL OF THE COLORADO AND WYOMING RAILWAY COMPANY RIGHT OF WAY TO THE NORTHERLY LINE OF SAID RAILWAY;

THENCE EASTERLY ALONG THE NORTHERLY LINE OF SAID RAILWAY, THE FOLLOWING 7 COURSES:

1. N 74° 39' 01" E, 485.34 FEET TO A POINT,
2. N 89° 09' 56" E, 157.58 FEET TO A POINT,
3. N 72° 51' 54" E, 243.50 FEET TO A POINT OF CURVE,
4. ALONG AN ARC OF A CURVE TO THE RIGHT, HAVING A RADIUS OF 2914.79 FEET, AN ARC DISTANCE OF 665.68 FEET (THE CHORD OF SAID CURVE BEARS N 79° 24' 10" E, 663.81 FEET),
5. N 85° 56' 53" E, 545.14 FEET TO A POINT,
6. N 04° 03' 06" W, 50.00 FEET TO A POINT,
7. N 85° 56' 53" E, 225.00 FEET TO A POINT ON THE WESTERLY LINE OF A TRACT OF LAND CONVEYED FROM MARIA E. CHAVEZ, MARGARET SINEROS AND HERMINE CHAVEZ TO CF & I BY DEED DATED AUGUST 16, 1951 AND RECORDED IN BOOK 578, PAGE 463 OF THE LAS ANIMAS COUNTY RECORDS;

THENCE ALONG THE WESTERLY AND NORTHERLY LINE OF SAID MARIA E. CHAVEZ TRACT, THE FOLLOWING 2 COURSES:

1. N 00° 54' 56" E, 135.68 FEET TO THE NORTHWEST CORNER THEREOF,
2. N 80° 54' 56" E, 134.04 FEET TO THE NORTHEAST CORNER OF SAID MARIA E. CHAVEZ TRACT, SAID POINT ALSO BEING THE SOUTHWEST CORNER OF THAT TRACT CONVEYED TO MARIA E. CHAVEZ, MARGARET SINEROS AND HERMINE CHAVEZ BY THE COLORADO FUEL AND IRON CORPORATION BY DEED DATED AUGUST 16, 1951 AND RECORDED IN BOOK 578, PAGE 466 OF THE LAS ANIMAS COUNTY RECORDS;

THENCE ALONG THE SOUTH AND EAST BOUNDARIES OF SAID CHAVEZ TRACT, THE FOLLOWING 2 COURSES:

1. N 80° 54' 56" E, 203.00 FEET TO A POINT,
2. N 00° 52' 49" E, 284.96 FEET TO A POINT ON THE CENTERLINE OF COLORADO HIGHWAY 12;

THENCE IN AN EASTERLY DIRECTION ALONG THE CENTERLINE OF COLORADO STATE HIGHWAY 12, A DISTANCE OF 8 MILES MORE OR LESS TO A POINT WHERE SAID CENTERLINE OF COLORADO

HIGHWAY 12 INTERSECTS THE NORTH LINE OF THE MAXWELL LAND GRANT; THENCE S 72° 20' 25" E ALONG THE NORTH LINE OF THE MAXWELL LAND GRANT, 7163.70 FEET TO A 40# RAIL MARKED MILE POST 30M; THENCE S 72° 37' 34" E CONTINUING ALONG SAID NORTH LINE OF THE MAXWELL LAND GRANT, 2428.21 FEET TO THE POINT OF BEGINNING.

PER SURVEY PLAT FILED 10/31/98 IN BOOK 966 PAGES 579-780-581.

EXCEPTING THEREFROM THE FOLLOWING:

1. All that part of Section 28, Township 33 South, Range 67 West, 6th PM being more or less the center 154.275 acres of said section known as the PAGNOTA TRACT and described in a Special Warrant Deed from Slurco Corporation to John E. Toupal, dated 2/1/96, and recorded in Bk. 932, pg. 412.
2. All that part of the E1/2E1/2, Section 29 and part of the W1/2W1/2, Section 28, Township 33 South, Range 67 West, 6th PM described as TRACT I in the Assignment of Causes of Action and Claims between Slurco Corporation and John Toupal, dated 7/12/96, and recorded in Bk. 932, pg. 407.
3. All that part lying between the north right of way of the Colorado and Wyoming Railroad and the Centerline of Colorado Highway 12 located in part of the E1/2SE1/4, Section 28, and part of the SW1/4, Section 27, Township 33 South, Range 67 West, 6th PM., described as TRACT 2 in the Assignment of Causes of Action and Claims between Slurco Corporation and John Toupal, dated 7/12/96, and recorded in Bk. 932, pg. 407.
4. A tract of land lying within the Maxwell Land Grant in unsurveyed Townships 33 and 34 South, Range 67 West, 6th PM., described as TRACT 3 in the Assignment of Causes of Action and Claims between Slurco Corporation and John Toupal, dated 7/12/96, as recorded in Bk. 932, pg. 408.
5. A tract of land lying within the Maxwell Land Grant in unsurveyed Townships 33 and 34 South, Range 67 West, 6th PM. Described as the WESTON CAMP TRACT in a Special Warranty Deed between Slurco Corporation and John Toupal, dated 2/1/96, as recorded in Bk. 932, pg. 413.
6. A tract of land lying within the Maxwell Land Grant in unsurveyed Township 33 South, Range 68 West, 6th PM, described as the LORENCITO COAL TRACT B in an unrecorded Quit Claim Deed between North Central Energy Company and Picketwire Processing (as shown on the survey plat recorded in Book 964, Page 914, correction recorded in Book 966, Page 578).
7. ADDITIONAL LANDS EXCEPTED IN TOWNSHIP 33 SOUTH, RANGE 67 WEST OF THE 6<sup>TH</sup> PM., LAS ANIMAS COUNTY, COLORADO:

SECTION 19: ALL THE FOLLOWING LYING SOUTH OF HIGHWAY 12 AS APPLICABLE:

JIM AND ANN TATUM BOOK 892, PAGES 713-714-715;  
IRENE AND CANDELO CHACON RECEPTION NO. 414349;  
SALLY HURTADO BOOK 823, PAGE 765  
GEORGE CHAVEZ BOOK 575, PAGE 70  
DAISY CHAVEZ ASEVEDO ET AL, BOOK 926, PAGE 132  
EUGENE L. CHAVEZ, BOOK 864, PAGE 371  
EUGENE L. CHAVEZ AND VERNON CHAVEZ, BOOK 906, PAGE 519  
JOSE RUMALDO CHAVEZ ET AL, BOOK 806, PAGE 23

SECTION 20: ALL THE FOLLOWING LYING SOUTH OF HIGHWAY 12 AS APPLICABLE:

EUGENE L. CHAVEZ AND VERNON CHAVEZ BOOK 906, PAGE 519;  
MAXINE M. CHAVEZ SCOTT ET AL, BOOK 877, PAGE 665  
JOSE RUMALDO CHAVEZ ET AL, BOOK 806, PAGE 23



ERNEST W. TRUJILLO ET AL, BOOK 865, PAGE 978  
ANDY AND ROSELLA MARTINEZ ET AL, BOOK 732, PAGE 184

SECTION 29: ALL LYING SOUTH OF HIGHWAY #12 SOUTH AS APPLICABLE:

DEAGUERO ESTATES MORE FULLY DESCRIBED IN BOOK 829, PAGE 151 AND BOOK 456, PAGE 456, AS CORRECTED BY BOOK 523, PAGE 370 AND BOOK 575, PAGE 288 & ANTONIO M. DEAGUERO LANDS AS DESCRIBED IN BOOK 189, PAGE 40, BOOK 192, PAGE 462, BOOK 192, PAGE 461, BOOK 196 PAGE 54 & 55, BOOK 352, PAGE 80, BOOK 357, PAGE 416, BOOK 573, PAGE 133, BOOK 592, PAGE 467, BOOK 593, PAGE 163 & 177 & 178, BOOK 626,, PAGE 82 & BOOK 940, PAGE 818 & R.O.W. PER BOOK 737, PAGE 457, 465, 480 & BOOK 738, PAGE 482 TO COLORADO & WYOMING RAILWAY PER BOOK 576, PAGE 248 FROM COLORADO & WYOMING RAILWAY CO. TO TRINIDAD RAILWAY COMPANY IN BOOK 892, PAGE 428 & R.O.W. DEEDS TO CITY OF TRINIDAD PER BOOK 737, PAGE 457, 465 & 480 AND BOOK 738, PAGE 482; AND

GEORGE CHAVEZ TRACT, BOOK 666, PAGE 266.

8. ADDITIONAL LANDS EXCEPTED IN TOWNSHIP 33 SOUTH, RANGE 68 WEST OF THE 6TH P.M., LAS ANIMAS COUNTY, COLORADO.

SECTION 24: ALL THE FOLLOWING LYING SOUTH OF HIGHWAY 12

VIAPONDO BOOK 563, PAGE 223;  
PINKSTON BOOK 767, PAGE 613;  
ARMSTRONG BOOK 837, PAGE 563;  
FLOYD CHAVEZ BOOK 642, PAGE 497,

TOGETHER WITH AND NOT EXCEPTING THE FOLLOWING ACCESS/RIGHTS-OF-WAY CONVEYED:

1. TERCIO ROAD AND GALLEGOS CANYON:

Grantor conveys to Grantee the perpetual easements and rights-of-way for roadways described within Paragraphs One (1) and (3) of that Right-of Way Deed that was recorded with the Clerk and Recorders Office for Las Animas County on 12/12/84 at Book 835, Page 288. Said easements and rights-of-way shall include and be subject to all other pertinent provisions of said Right-of-Way Deed.

2. TRACT #2 (SUB-STATION) ACCESS ROAD:

A surveyed right of way which is part of the plat recorded in Book 966, Pages 579-580-581, Las Animas County Clerk and Recorders Office, and more particularly described as follows:

A 40 foot wide access easement located in the SW1/4, Section 27, Township 33 South, Range 67 West, 6th PM, Las Animas County, Colorado, described as:

BEGINNING at a point on the centerline of Colorado Highway 12 from which the west 1/4 corner of Section 27 bears N 44°34'14" W, 2052.72 feet; THENCE along the centerline of a 40 foot access road being 20 feet each side of the following described centerline the following two courses:

1. S 45°36'59" W., 307.26 feet to a point; thence
2. S 40°10'42" W., 95.52 feet to a point on the northerly right of way of the Colorado and Wyoming Railroad; said point being the point of terminus of the above described access easement.

### 3. WESTON CAMP TRACT AND CHERRY CANYON ACCESS ROADS:

Weston Camp Tract Access Road: an existing unsurveyed road located in Townships 33 and 34 South, Range 67 West, 6th PM., on a parcel of land known as the "Weston Camp Tract", said parcel being that described in the Special Warranty Deed between Slurco Corporation and John Toupal dated 2/1/96 and recorded in the Clerk and Recorders Office at Book 932, Page 413, and BEGINS at a point near the City of Weston where the existing Road crosses the northeastern boundary of the Weston Camp Tract, and; THENCE runs southwesterly along and paralleling the South Fork of the Purgatoire River, and; THENCE ends at the western boundary of the Weston Camp Tract.

Cherry Canyon Access Road: A surveyed right of way which is part of the plat recorded in Book 966, Pages 579-580-581, Las Animas County Clerk and Recorders Office, and more particularly described as a 40 foot wide access easement located within the Maxwell Land Grant in unsurveyed Township 33 South, Range 67 West, 6th PM, described as follows:

BEGINNING at a point on the centerline of South Fork Canyon Road, from which BM NO.7 on the north line of the Maxwell Land Grant bears N 58° 42' 21" E, 3953.73 feet; THENCE along the centerline of a 40 foot access road being 20 feet each side of the following 22 courses:

1. N 84° 28' 45" W, 234.75 feet to a point;
2. N 47° 13' 35" W, 172.91 feet to a point;
3. N 11° 06' 27" E, 255.34 feet to a point;
4. N 64° 09' 00" W, 232.22 feet to a point;
5. N 88° 09' 27" W, 121.35 feet to a point;
6. N 73° 44' 49" W, 255.40 feet to a point;
7. S 69° 20' 37" W, 378.65 feet to a point;
8. N 66° 42' 55" W, 167.19 feet to a point;
9. N 78° 34' 53" W, 237.95 feet to a point;
10. N 56° 14' 43" W, 219.97 feet to a point;
11. N 73° 49' 21" W, 193.32 feet to a point;
12. N 83° 00' 14" W, 200.29 feet to a point;
13. N 59° 07' 13" W, 264.42 feet to a point;
14. N 61° 05' 35" W, 189.68 feet to a point;
15. S 87° 33' 09" W, 256.38 feet to point;
16. N 59° 28' 41" W, 296.98 feet to a point;
17. N 44° 47' 58" W, 338.14 feet to a point;
18. N 26° 41' 51" W, 196.72 feet to a point;
19. N 74° 59' 19" W, 227.93 feet to a point;
20. N 86° 36' 56" W, 209.94 feet to a point;
21. N 53° 55' 55" W, 210.97 feet to a point;
22. N 58° 35' 48" W, 118.47 feet to a point; said point being the point of terminus of the above described 40 foot wide access easement.

### 4. TRACT #3 ACCESS ROAD:

An existing unsurveyed road right-of-way 40 feet in width for an existing roadway which is located in unsurveyed Township 34 South, Range 67 West, on a parcel of land known as "Tract 3", said parcel being described in the survey conducted by Gary Terry Surveying (reference # 035A-93), recorded in Las Animas County, Colorado, Clerk and Recorders Office, at Book 932, Page 404 as Exhibit B to the Bargain and Sale Deed between Slurco Corporation, and John Toupal; and BEGINS at the end of the Weston Camp Access Road described above, and; THENCE runs southwesterly along and paralleling the South Fork of the Purgatoire River, and; THENCE ends at the southwestern boundary of Tract #3.

5. ALAMOSITO CANYON ACCESS ROAD:

An existing unsurveyed road which is located in unsurveyed Township 34 South, Range 67 West, on a parcel of land known as "Tract 3", said parcel being described in the survey conducted by Gary Terry Surveying (reference # 035A-93), recorded in Las Animas County, Colorado, Clerk and Records Office, at Book 932, Page 404 as Exhibit B to the Bargain and Sale Deed between Slurco Corporation, and John Toupal; and BEGINS at the Tract #3 Access Road described above, and; THENCE runs westerly up the Alamosito Canyon, and; THENCE ends at the westerly boundary of Tract 3.

6. TORRES CANYON ACCESS ROAD:

An existing unsurveyed road which is located in unsurveyed Township 34 South, Range 67 West, on a parcel of land known as "Tract 3", said parcel being described in the survey conducted by Gary Terry Surveying (reference # 035A-93), recorded in Las Animas County, Colorado, Clerk and Records Office, at Book 932, Page 404 as Exhibit B to the Bargain and Sale Deed between Slurco Corporation, and John Toupal; and BEGINS at the Tract #3 Access Road described above, and; THENCE runs westerly up Torres Canyon, and; THENCE ends at the westerly boundary of Tract 3.

7. LORENCITO COAL TRACT ACCESS ROAD:

This access runs across Parcel B of the Lorencito Coal Tract (survey recorded in Book 964, Page 914, correction recorded in Book 966, Page 578) and was in an unrecorded Quit Claim Deed between North Central Energy, Inc. (Grantor) and Picketwire Processing, LLC. (Grantee) which reads:

"Reserving unto Grantor, an easement for ingress/egress to adjacent lands currently owned by Grantor, and for utility purposes, the exact size and location of which shall be determined by the Grantor and Grantee or their respective successors or assigns; provided, however, that the location of said easement shall not in any manner conflict or interfere with the coal processing and related operations of the Grantee, its successors or assigns on the lands granted herein; and provided further, that the Grantee, its successors and assigns, shall have no express or implied obligation to provide Grantor access across existing or future bridges on said lands."

A copy of the unrecorded Quit Claim Deed is attached for reference - Attachment 'A' and also shown on as shown on the survey plat recorded in Book 964, Page 914, correction recorded in Book 966, Page 578.

\\WORDPROC\GRANT\LANDS\MPC\EXHIBIT2.A