

**EASEMENT, RIGHT-OF-WAY
and
SURFACE USE AGREEMENT**

This Easement, Right-of-Way and Surface Use Agreement ("Agreement") is entered into as of the 6th day of June, 2003, by and between Paragon Farms LLC, whose address is 10220 WCR 1 Longmont, CO 80504 ("Surface owner," whether one or more) and Kerr-McGee Rocky Mountain Corporation, a Delaware corporation ("KMRMC"), with offices at 1999 Broadway, Suite 3600, Denver, CO 80202 covering certain lands, (the "Lands") situated in Weld County, Colorado described as follows:

Township: 1 North, Range 65 West, of the 6th P.M.
Section 6: E/2

For and in consideration of the sum of ten dollars (\$10.00), and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the undersigned hereby agree to the terms and provisions set forth as follows:

1. Compensation for Well; Release of Claims

KMRMC shall pay to Surface Owner the sum as set forth in and according to the terms of that certain Letter Agreement by and between Surface Owner and KMRMC, dated June 6, 2003, as full and final settlement and satisfaction for any and all detriment, depreciation, injury or damage of any nature to the Lands or growing crops thereon that may occur as a result of KMRMC drilling or completion operations of the Paragon 9-6 and Paragon 1-6A Wells.

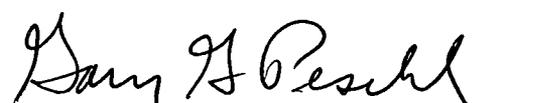
2. Grant of Right of Way and Easement

Surface Owner hereby grants, bargains, sells, assigns and conveys to KMRMC a non-exclusive easement and right-of-way for the purpose of constructing, using and maintaining the access roads, surface equipment and subsurface gathering lines for each well drilled upon the Lands, pipelines, and pipeline interconnections, all as shown on Exhibit A attached and made a part of this Agreement for one year from the date of commencement of surface activities for drilling operations and so long thereafter as oil or gas is produced or capable of being produced from any well drilled on the Lands.

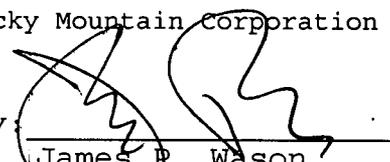
This Agreement shall be binding upon the respective heirs, executors, administrators, successors, and assigns of the undersigned.

The undersigned have executed this Agreement as of the day first above written.

SURFACE OWNER



Paragon Farms LLC
By: Gary G. Peschel; Mgr.

Kerr-McGee
Rocky Mountain Corporation
By: 

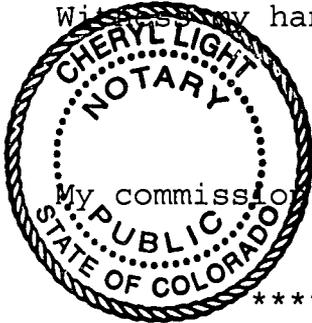
James P. Wason
Attorney-in-Fact

3076619 06/24/2003 04:58P Weld County, CO
2 of 2 R 11.00 D 0.00 Steve Moreno Clerk & Recorder

STATE OF COLORADO)
) ss
COUNTY OF WELD)

The foregoing instrument was acknowledged before me
this 9th day of June, 2003, by Gary G. Peschel.

Witness my hand and official seal.



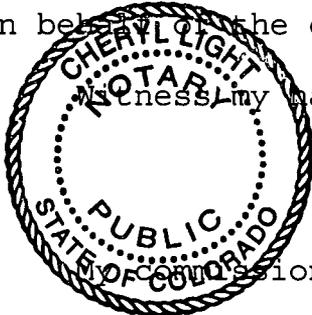
Cheryl Light
Notary Public

My commission expires _____

My Commission Expires 03/24/2004

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

This instrument was acknowledged before me this 16th day
of June, 2003, by James P. Wason, Attorney-in-Fact
of Kerr-McGee Rocky Mountain Corporation, a Delaware corporation,
on behalf of the corporation.



Witness my hand and official seal.

Cheryl Light
Notary Public

My commission expires _____

My Commission Expires 03/24/2004