

## STIPULATION AND ACKNOWLEDGMENT OF SURFACE USE AND DAMAGE AGREEMENT

This Stipulation and Acknowledgement of Surface Use and Damage Agreement (this "Stipulation") is made by and between East Side Sunset, LLC, as owner of the surface of the lands described on Exhibit A attached hereto ("Sunset"), and Burlington Resources Oil & Gas Company, LP ("BROG"), effective as of November 1, 2013.

### RECITALS

1. Sunset, as Lessor, executed that certain Oil and Gas Lease (the "Lease") dated November 12, 2010, in favor of Anadarko E&P Company LP ("Anadarko"), as Lessee, a Memorandum of which is recorded at Reception No. D1063708 of the records of the Recorder's Office of Arapahoe County, Colorado; and covering the following described lands, to wit:

Township 4 South, Range 65 West, 6<sup>th</sup> P.M.;  
Section 22: All  
Arapahoe County, Colorado

2. Attached as Exhibit "B" to the Lease is that certain Surface Use and Damage Agreement dated November 12, 2010 by and between Sunset, as owner of the surface of the above described lands ("Owner"), and Anadarko, as "Operator" (the "SUA").

3. BROG is the successor in interest to the interest of Anadarko, as Lessee under the Lease and as "Operator" under the SUA.

4. BROG and Sunset entered into that certain Amendment to Surface Use and Damage Agreement dated effective as of September 26, 2013, a copy of which is to be recorded contemporaneously herewith (the "Amendment").

5. BROG and Sunset desire to place the SUA of record, maintaining certain provisions as confidential between the parties, to confirm the lands covered thereby, and to ratify the SUA, as amended, as in full force and effect.

NOW THEREFORE, for and in consideration of the mutual agreements contained herein, BROG and Sunset do hereby stipulate, acknowledge and agree as follows:

1. Attached hereto as Exhibit A is a true and correct copy of the SUA, redacted only to maintain the confidentiality of the compensation provisions contained therein.

2. Attached hereto as Exhibit B is a description of the lands covered by the SUA.

3. BROG and Sunset do hereby ratify and confirm the SUA, as amended by the Amendment, as in full force and effect.

This Stipulation is binding on and will inure to the benefit of Sunset and BROG, and their respective successors and assigns.

IN WITNESS WHEREOF, Sunset and BROG have signed this Stipulation on the dates set forth in the acknowledgments hereto, but effective as of November 1, 2013.

**East Side Sunset, LLC**

BY: \_\_\_\_\_

PRINTED NAME: STEVEN M. COHEN

TITLE: Manager

[signatures continue on following page]

**Burlington Resources Oil & Gas Company LP**

BY: BROG GP LLC

BY: Brian Calloway

PRINTED NAME: Brian Calloway

TITLE: Attorney-in-Fact

STATE OF COLORADO )

COUNTY OF DENVER )

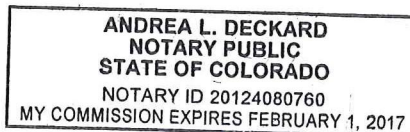
The foregoing instrument was acknowledged before me this 19<sup>th</sup> day of NOVEMBER, 2013, by STEVE COHEN, as MANAGING PARTNER of East Side Sunset LLC, a COLORADO limited liability company, on behalf of said company.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission expires: FEB, 1, 2017

Andrea L. Deckard  
Notary Public, State of Colorado

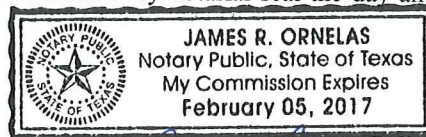
STATE OF TEXAS )  
Midland )  
COUNTY OF HARRIS )



This instrument was acknowledged before me on this the 22<sup>nd</sup> day of November, 2013, by BRIAN CALLOWAY, in his capacity as Attorney-in-Fact for **BROG GP LLC**, sole general partner of **Burlington Resources Oil & Gas Company LP**, a Delaware limited partnership, on behalf of said limited partnership.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission expires: 02/05/17



James Ornelas  
Notary Public, State of Texas

**EXHIBIT A**

TRUE AND CORRECT COPY OF SURFACE USE AND DAMAGE AGREEMENT



## **Exhibit "B"**

### **SURFACE USE AND DAMAGE AGREEMENT**

**Attached and made a part of that certain Oil and Gas Lease dated November 12, 2010 between East Side Sunset, LLC as Lessor and Anadarko E&P Company LP as Lessee**

This Agreement is made and entered into effective this 12th day of November, 2010, by and between East Side Sunset, LLC, as the owner of the surface of the lands described hereafter whose addresses is 7400 East Crestline Circle, Suite 250, Greenwood Village, CO 80111, hereinafter referred to as "Owner", and Anadarko E&P Company LP, whose address is 1099 18<sup>th</sup> Street, Suite 1800, Denver, CO 80202, hereinafter referred to as "Operator".

#### **WITNESSETH:**

**WHEREAS**, Owner owns the surface estate described on Exhibit "A" attached hereto (the "Lands") as well as the mineral estate under portions of the Lands; and

**WHEREAS**, Owner plans to develop the Lands to include in planned communities for residential, commercial, agricultural, industrial and other development; and

**WHEREAS**, Operator holds one or more valid oil and gas leases from Owner or from third parties covering all or portions of the Lands; and

**WHEREAS**, the parties wish to enter into an agreement concerning the use by Operator of portions of the Lands for the purposes of drilling, completing, and operating one or more oil and gas wells on the Lands consistent with Owner's ownership of the Lands for development.

**NOW, THEREFORE**, in consideration of the mutual promises contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. **Right of Use.** Owner hereby gives and grants to Operator, its agents, employees, drilling contractors, and related service companies, subject to the terms of this Agreement, the non-exclusive right to enter upon and use the Lands for the purpose of drilling, completing, and producing one or more oil and gas wells at legal locations or at such exception locations as are approved by the Colorado Oil & Gas Conservation Commission ("COGCC"), together with rights-of-way across the Lands and adjacent lands owned by Owner necessary to construct and maintain one or more access roads, well sites, tank batteries, and pipelines in connection with the oil or gas wells to be drilled by Operator upon the Lands in accordance with this Agreement. The rights of Operator to use the Lands as set forth herein are non-exclusive, and Owner reserves the right to use all access roads, and all surface and sub-surface uses of the Lands, and to grant successive easements on or across the Lands on such terms and conditions as Owner deems necessary or advisable, provided that Owner's use and all other uses authorized by Owner do not unreasonably interfere with the operations of Operator.

2. **Notification and Consultation**

(a) Prior to commencing any operations, initiating the drilling of any well or initiating the conduct of seismic activities on said Lands, Operator shall notify Owner prior to entry upon the Lands and shall consult with Owner and receive Owner's consent, which consent shall not be unreasonably withheld, as to the location of each well, road, pipeline, power line, tank battery, or other facility to be placed upon or under the Lands. Such agreed-upon locations shall be known as the "Oil and Gas Operations Areas". All of Operator's activities shall be restricted to the Oil and Gas Operations Areas and Owner shall not occupy any portion of the Oil and Gas Operations Areas for any purpose, it being specifically agreed that the Oil and Gas Operations Areas are for the exclusive use of Operator.

(b) Provided mutually acceptable alternate locations are agreed upon by Owner and Operator, Owner shall have the right to require Operator to relocate any roads, pipelines, power lines, or other surface or underground facilities (excluding any well) upon 90 days prior written notice to Operator in the event that such relocation is necessary to Owner's use of the Lands. All relocation expenses will be borne by Owner and Operator will not be required to move any of its facilities until provision has been made for the payment of such expenses to the reasonable satisfaction of Operator.

3. Compensation. As compensation for surface damages and as rental for use of Owner's surface estate, Operator shall pay to Owner the following:

Operator shall not use Owner's water for drilling or other purposes.

Provided Owner is in compliance with this Agreement, Operator agrees that it will not object, oppose or seek to prevent Owner from (i) obtaining any required permits to develop the Lands for such residential, commercial, industrial and other uses of any kind as Owner determines from time to time, or (ii) so developing the Lands, subject to Operator's rights under this Agreement. Operator agrees to execute and deliver letters of support of and non-objection to such development by Owner as may be requested by Owner from time to time. Likewise, provided Operator is in compliance with this Agreement, Owner will not oppose any permit application Operator submits to the COGCC or any state or local entity having jurisdiction of some or all of Operator's activities hereunder or under the Oil and Gas Lease of even date so long as said application or permit is consistent with this Agreement.

4. Road Construction and Use. Any roads constructed or used by Operator on the Lands shall be constructed or used to the following specifications:



(a) To the maximum extent reasonably possible, Operator will use existing roads designated by Owner for its operations if such use is operationally and economically feasible in Operator's judgment reasonably exercised.

(b) The surface of all roadways shall be made of compacted gravel, shall not exceed 16 feet in width for traveled surface, and shall comply with all regulations or laws applicable to such roadways. Operator shall control dust from all roadways through the application of an appropriate dust suppressant. Any roads constructed by Operator shall be improved as may be necessary and Owner and Operator agree that once surface development begins, the parties will consult with each other and agree on how the roads used in the operations of the oil and gas activities will be merged into the development roads.

(c) If requested by Owner, access to the Lands of Owner from any public road, or from the land of any adjoining Landowner, shall be controlled by a swinging metal gate in addition to a cattle guard.

(d) Culverts shall be placed in low areas for proper drainage.

(e) No off-road travel is permitted and particularly no off-road travel which has the effect of widening the road or area of damage.

(f) The use and construction of roads by Operator on the Lands is a non-exclusive use, and Owner may allow other parties to use said roads and make a charge therefor. However, Operator shall have the right to assess other non-agricultural users of the roads (except for Owner) for their share of maintenance work performed by Operator. Owner shall have no responsibility for road maintenance.

(g) Operator agrees, if requested by Owner, to place an appropriate sign or signs on any road designating them as "private roads" and to assist Owner in the control of the use of such roads by unauthorized users. The size and color of such signs shall be subject to Owner's approval.

(h) Owner may lock gates across its private roads, provided that Operator shall have the right to place its own locks on such gates.

(i) Operator shall maintain existing and newly constructed roads used by Operator to the extent necessary for Operator's needs and to the reasonable satisfaction of Owner, which maintenance may include shaling, ditching, graveling, blading, mowing grass to avoid fire danger, installing and cleaning cattle guards, and spraying for noxious weeds. This work shall be done at such reasonable times as Owner shall request.

(j) No roads on the Lands shall be used by Operator for access to lands not subject to the Lease without a separately negotiated agreement.

5. Well Sites. Well sites located on the Lands shall be limited to no more than ten (10) acres in size during drilling, completion, and reworking activities, and no more than four (4) acres permanently disturbed in size for producing well sites, including any tank batteries constructed by Operator. Operator agrees to fence the pits and other dangerous areas and at all times keep its well sites in good order and free of litter, debris, trash, or spilled hydrocarbons. In the event that Operator does not encounter commercial quantities of oil, gas, or other hydrocarbons at any well location and determines the location to be a "dry hole," Operator shall promptly fill in, smooth over, and clean up the well site and rights-of-way and shall restore and reseed the area with a seed mix reasonably approved by Owner after replacing topsoil. All cleanup and restoration activities shall be completed by Operator as soon as the reserve pit has been allowed to dry so that proper backfilling can be accomplished. If the reserve pit is not dry within six months of completion of drilling operations, it shall be pumped dry by Operator and the contents properly disposed of off the Land pursuant to applicable law. In the event that any well drilled upon the Lands is completed as a commercial producer of oil and/or gas, Operator shall promptly clean up the well site location and use only so much of the area as is reasonably necessary for its operations, and Operator shall restore

such well location, reseeding the same with a seed mix specified by Owner, and Operator shall keep all well site locations neat, orderly, and clean at all times.

6. Pipelines. Any pipelines constructed by Operator on the Lands shall be constructed and maintained to the following specifications:

(a) The top of each pipeline shall be buried at least 48 inches below the surface of the ground and shall be constructed in such a manner to safely permit Owner to construct roads and utilities over such pipeline in such locations as may be designated by Owner.

(b) Operator shall be responsible for backfilling, repacking, reseeding, and recontouring the surface so as not to interfere with Owner's present or future agricultural operations and its present or planned future development or other use of the Lands. If pipeline trenches settle so as to interfere with Owner's irrigation or ranching activities, upon request by Owner, Operator shall fill in, repack, and level such trenches.

(c) Operator shall provide Owner with a plat showing the "as built" length and location of all pipelines promptly after their installation.

(d) Owner reserves the right to occupy, use, and cultivate the lands affected by such pipelines, and to grant such rights to others, so long as such use does not interfere with Operator's operations. No structures may be built by Owner within fifteen (15) feet of any pipeline.

(e) The pipelines referred to in this Agreement are limited to and include only those gathering system pipelines used in connection with wells drilled on the Lands.

(f) If Operator fails to use any pipeline for a period in excess of twenty-four (24) consecutive months, the pipeline shall be deemed abandoned and Operator shall promptly take all actions necessary or desirable to clean up and remove the pipeline, or render the pipeline environmentally safe and fit for abandonment in place, and restore the surface. All such cleanup and mitigation shall be performed in compliance with all applicable federal, state, and local laws and regulations.

7. Power Lines. Any buried or overhead power lines constructed on the Lands shall be constructed and maintained to the following specifications:

(a) Operator will consult with Owner and with the independent power company supplying power to Operator with respect to the location of overhead power lines prior to construction, and shall obtain Owner's written consent for such locations which consent shall not be unreasonably withheld. Overhead power lines will be constructed so as to cause the least interference reasonably possible with Owner's visual landscape and Owner's existing and planned future uses of the Lands, and, to the maximum extent reasonably possible, overhead power lines will be constructed along fence lines or property lines. All overhead power lines will be located in a manner to minimize or avoid interference with Owner's existing or future uses of the Lands. No overhead power line will be located where it will interfere with Owner's existing or planned future uses of the Lands planned by Owner at the time of construction of overhead power lines. Owner shall be entitled to receive payment from Operator's electricity provider for overhead power lines.

(b) Subject to compliance with any guidelines and policies of the power provider, within two months after a well has been placed on production, all power lines constructed by or for Operator downstream of the independent power company's meters shall be buried, and all power line trenches shall be fully reclaimed and reseeded to the reasonable satisfaction of Owner. Buried power lines shall be installed at least 48 inches below the surface of the ground, and shall be constructed in such a manner to safely permit Owner to construct roads and utilities over such power line in such locations as may be designated by Owner.



(c) Operator agrees that it will not construct overhead power lines that will interfere with irrigation in those portions of the Lands which are developed or are being irrigated or cultivated or which may, in the future, be developed or irrigated or cultivated or which are fallow as part of a crop rotation or management program.

8. Operations. Operator's operations on the Lands shall be conducted according to the following specifications:

(a) Operator shall at all times keep its well sites and road rights-of-way safe and in good order, free of noxious weeds, litter and debris, and shall spray for noxious weeds upon reasonable demand by Owner as required by the rules of the COGCC.

(b) Operator shall rehabilitate, restore, reclaim, and reseed all disturbed areas caused by Operator's operations within six (6) months after termination of construction activities on such sites, unless inclement weather prevents such rehabilitation and restoration within that time period or within such other time as provided in the then applicable rules of the COGCC.

(c) All cattle guards and fences installed by Operator shall be kept clean and in good repair and will become the property of Owner when Operator ceases ownership of its oil and gas lease covering that portion of the Lands.

(d) Operator shall not permit the release or discharge of any toxic or hazardous chemicals or wastes on the Lands. Any spill of oil, grease, solvents, chemicals, or hazardous substances on the Lands which are reportable to regulatory authorities under applicable law or regulations shall be immediately (within 24 hours) reported to Owner by telephone, fax, or e-mail, to be followed by copies of written notices which Operator has filed with regulatory authorities within five (5) business days after such filing.

(e) Operator shall remove only the minimum amount of vegetation necessary for the construction of roads, well locations, and other facilities. Topsoil shall be conserved during excavation, stockpiled and reused as cover on disturbed areas to facilitate regrowth of vegetation.

(f) Operator shall use reasonable efforts to assure that construction or routine maintenance activities will not be performed during periods when the soil is too wet to adequately support construction equipment. Once a well is completed, Operator shall also access the Lands with heavy trucks and tankers as may be necessary for the efficient operation of the Lease taking into account the levels of production from wells drilled on the Lease; it being understood that access will be more frequent earlier in the production process. Once development of the surface has started, Owner and Operator will consult with one another to determine if changes need to be made with respect to heavy truck and tanker access taking into account then current and anticipated levels of production from the Lease and the safe and efficient use of the surface development.

(g) All surface facilities not subject to safety requirements shall be painted Operator's colors, which shall blend with the natural color of the landscape.

(h) No living quarters shall be constructed upon the Lands, except that drilling crews and geologists or service personnel may use temporary "dog houses" during drilling, completion, or reworking activities.

(i) Operator shall not fence any access roads without the prior consent of Owner.

(j) Operator shall construct stock-tight fences for both sheep and cattle around any dangerous areas, including any pits where Operator drills wells.