

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

This Easement, Right-of-Way and Surface Use Agreement ("Agreement") is entered into as of September 18<sup>th</sup>, 2013, by and between Melba L. Farley Trust, herein referred to as ("Surface Owner"), whose address is 16400 County Road 32 Platteville, CO 80651 and Kerr-McGee Oil & Gas Onshore LP, ("KMG") with offices at 1099 18th St. #1800 Denver, CO 80202 covering certain lands, (the "Lands") situated in Weld County, Colorado described as follows:

Township 3 North, Range 66 West of the 6<sup>th</sup> P.M.

Section 23: A portion of the W2NE4 described as Lot B at Recorded Exemption RE-5071

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 All Claims

KMG 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 KMG, dated September 18<sup>th</sup>, 2013, 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 KMG drilling or completion operations or its continuing activities for the production or transportation of oil, gas, or other hydrocarbons or products associated with the foregoing including, but not limited to, surface use, access, mud and reserve pits, wellhead equipment, separators, tank batteries, pipelines, gathering lines, flowlines, pipeline interconnections, and any and all other reasonable or customary uses of land related to said operations or activities.

### 2. Grant of Right of Way and Easement

Surface Owner hereby grants, bargains, sells, assigns and conveys to KMG an easement and right-of-way for the purpose of constructing, using and maintaining access roads, locations for surface equipment and subsurface gathering lines for each well drilled upon the Lands, pipelines, and pipeline interconnections 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, provided however, no easement or right-of-way is granted across any irrigation circle or which would interfere with any existing improvements.

Surface Owner further grants and conveys to KMG a subsurface easement on and through the NE4 of Section 23, 3N66W above described for the purpose of allowing KMG to drill no more than four (4) oil and gas wells using directional boring technology to bottom hole locations located under Section 14, 3N66W from the surface location located in the NE4 of Section 23, 3N66W. It is further agreed that KMG may reasonably use the Oil and Gas Operations Area to drill, complete, operate, produce, maintain, redrill, recompleat and conduct all other operations necessary or convenient for wells drilled from the Oil and Gas Operations Area to the NE4 of Section 23, 3N66W. The rights granted hereby include the construction, operation, maintenance, repair and replacement of an oil and gas production facility.

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**

**Kerr-McGee Oil & Gas Onshore LP**

By: Melba L. Farley  
Melba L. Farley

By:  QH  
David Bell  
Agent & Attorney-in-Fact

ACKNOWLEDGEMENT

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

This instrument was acknowledged before me this 19 day of September, 2013, by David Bell, agent & Attorney-in-Fact of Kerr-McGee Oil & Gas Onshore LP, on behalf of said company.

Witness my hand and official seal.

Rhonda Sutton  
Notary Public



My Comm. Expires May 4, 2016

My commission expires May 4, 2016

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STATE OF COLORADO     )  
  )ss  
COUNTY OF WELD     )

The foregoing instrument was acknowledged before me this 18<sup>th</sup> day of SEPTEMBER, 2013, by Melba Farley.

Witness my hand and official seal.

Nolan McWherter  
Notary Public



My Comm. Expires Apr. 27, 2016

My commission expires 04/27/2016