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SURFACE USE AGREEMENT

THIS AGREEMENT ("Agreement") is made and entered into this 7th day of December, 2006 ("Effective Date") by and between Specialty Taverns, Inc, a Nevada Corporation, whose address is 8191 East Kaiser Blvd, Anaheim, California 92808, hereinafter called "Owner", and Antero Resources Piceance Corporation, whose address is 1625 17th Street, Denver, Colorado 80202, hereinafter called "Operator"

WHEREAS, the undersigned owns the surface of the lands described on Exhibit A attached hereto and made a part hereof for all purposes ("Lands"),

WHEREAS, Operator desires to utilize the Lands for the operations hereafter described, and Owner desires to allow such utilization,

WHEREAS, Owner and Operator desire to enter into this Agreement to stipulate the terms and conditions under which Owner will permit use of the Lands by Operator

NOW, THEREFORE, in consideration of ten dollars (\$10.00) and other good and valuable consideration in hand paid, receipt of which is hereby acknowledged, Owner and Operator agree as follows

- 1 **Surface Ownership.** Owner owns the lands described on Exhibit A attached hereto and made a part hereof for all purpose
- 2 **Grant of Easement.** Owner hereby grants to Operator a right-of-way and easement on, over, through and across the Lands as shown on the attached Exhibit "B", for the purpose of drilling, completing, operating and producing gas wells, building access roads, conducting reservoir fracture stimulation operations, re-completing and monitoring wells therefore, together with the right-of-way and easement on, over, through and across the Lands necessary to construct operate, maintain and repair (including but not limited to) access roads, fluid retention reservoirs, well sites, tank batteries, compressors, electrical lines, facilities, pipelines for handling both production produced from the Lands, as well as that produced from other lands which Owner may not have an interest, which may be necessary for Operator to have a continuous and efficient pipeline system (such right-of-way and easement not to exceed fifty feet (50') during the construction phase, and shall not exceed twenty-five feet (25') after the completion of construction), pigging facilities, tanks, water discharge, and any other actions deemed necessary by Operator for its operations. Within 60 days after any pipeline is installed on the Lands, Operator will furnish to Owner an as-built plat showing the location of the pipeline. Owner agrees that Operator may file in the real property records of Garfield County, Colorado on behalf of Owner appropriate documentation evidencing the location of any pipelines on the Lands
- 3 **Notification.** Operator shall notify Owner prior to initial operations upon the Lands and shall consult with Owner regarding the location of the roads, well pads, and other facilities incident to Operators operations on the Lands. To the maximum extent commercially feasible, Operator will use existing roads on Owner's property for its operations, and if construction of a new road is required, Operator will locate the new road in a manner so as to cause the least interference with Owner's operations on the affected lands (see Exhibit "B")
- 4 **Termination of Rights.** The rights granted by Owner to Operator relating to the exploration and development of hydrocarbons from the Lands shall terminate two years from the date of this agreement if Operator has not constructed at least one of the four well pads shown on the attached Exhibit "B" and began drilling operations of at least one well on the well pad. The rights granted by Owner to Operator relating to the exploration and development of hydrocarbons from the Lands shall terminate upon the permanent plugging and abandoning of the last well located on the Lands, or lands pooled or spaced therewith pursuant to the rules and regulations of the Colorado Oil and Gas Commission. The easements and rights-of-way granted herein relating to lands in which Owner does not have an interest, shall terminate if and when Operator shall cease to use such easements and rights-of-way for a period of 24 consecutive months without suspension of use for regulatory reasons or events of force majeure
- 5 **Nonexclusive Rights.** Except with regard to well pads, the rights granted by Owner to Operator are nonexclusive, and Owner reserves the right to use all access roads existing as of the date of this Agreement, or constructed at Owner's expense after the date of this Agreement, and all surface and subsurface uses of the lands affected by this Agreement and the right to grant successive easements thereon or across on such terms as Owner deems necessary or advisable

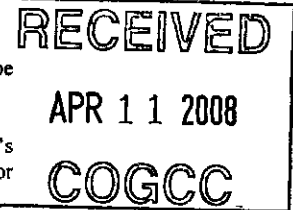
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- 6 **Payments** Consideration for use and damages for the rights granted hereunder shall be made as follows
- 7 Operator shall pay to Owner the sum of \$ [REDACTED] for each of the four well pads depicted on the attached Exhibit B. Well pads shall not exceed 3 acres in size without prior written consent from Owner. In addition Operator shall pay to Owner the sum of \$ [REDACTED] for each of four wells that may be drilled by Operator from each well pad. In the event Operator drills more than four wells from a well pad Operator shall make an additional [REDACTED] payment to Owner for each additional well drilled from that well pad. The payments herein provided are acknowledged by Owner as sufficient and in full in satisfaction for damages to Owner caused or created by the reasonable and customary entry, rights-of-way and operation and use of the roads, well pads, pipelines and other facilities incident to Operators operations on the Lands, but do not include damage to livestock, buildings or improvements, or injuries to persons or to any damage or destruction caused to Owner's wells or water supply on the property. Operator agrees to test Owner's water wells on the property for quality and quantity before the first well is drilled on the lands, and once a year thereafter until the termination of this agreement. Owner shall be allowed to request additional testing of a particular water well on the lands if Owner feels that a water well may have been effected by Operator's Operations. Operator shall be liable for damages if, as a result of its operations hereunder, any water on or under the premises which had been potable is affected to the extent that it is rendered non-potable for humans, cattle or other ranch animals on Owner's premises, or any such water supply, well or reservoir be destroyed or its output diminished. Operator shall be liable for any downstream damage caused to other lands or the operations of other landowners. This Agreement does not relieve Operator from liability due to Operator's negligence or due to spills or discharges of any hydrocarbon or toxic or hazardous chemicals or wastes, or from leaks or breaks in Operator's pipelines. Damage to livestock and damage to crops shall be paid for by Operator at current market value. Any fires caused by Operator's personnel, agents, or assigns shall be paid for by paying the cost of replacement pasture, plus replacement and/or repair costs for all personal property destroyed or damaged. The cost of replacement pasture will be determined by the amount generally accepted in the area for like kind pasture.
- 8 **Maintenance.** Operator shall at all times keep the well site and the road right-of-way safe and in good order, free of noxious weeds, litter and debris. Operator shall not permit the release or discharge of any toxic or hazardous chemicals or wastes on Owner's property. No seismic operations shall be permitted without written consent of Owner.
- 9 **Produced Water.** Surface discharge of produced water will not be permitted on Owner's lands.
- 10 **Abandonment.** If the Operator desires to plug and abandon the well(s) because the Operator determines the well is not capable of commercial production, then, in that event, the Operator shall fill and level the location, re-contour the location, distribute the topsoil, make the location ready for reseeding, and reseed the area, and plug and abandon the well as required by applicable law and regulations. All cleanup and restoration requirements shall be completed by Operator within Six (6) months after the termination of final activities at the well site.
- 11 **Improvements.** No fences, cattleguards or other improvements on Owner's property shall be cut or damaged by Operator without the prior written consent of Owner and the payment of additional damages or the institution of other safeguards to protect the rights and property of the Owner. Upon final termination of Operator's rights under this Agreement, Operator shall return all roads and other rights-of-way or sites as near as practical to the condition which they were in prior to the execution of this Agreement, unless a lower standard is otherwise agreed to by Owner. All disturbed areas caused by Operator's activities will be reseeded. Fences shall be restored as near as practical to the original condition unless otherwise agreed by Owner. Prior to construction of the Gentry C Pad, if requested by Owner, Operator shall install a cattleguard on the access road to the Gentry C Pad at a location to be designated by Owner.
- 12 **No Warranty.** Owner makes no warranty of title or otherwise in entering into this Agreement, provided, however, if it is determined that Owner does not have the right to authorize Operator to use the lands affected by this Agreement for the purposes set forth herein, then Operator's sole remedy shall be to recover from Owner those payments made by Operator for the rights which Owner did not have the right to grant to Operator.
- 13 **Non-disturbance.** Operator and its employees and authorized agents shall not disturb, use or travel upon any of the land of Owner not subject to this Agreement.
- 14 **Firearms and Explosives.** None of the Operator's employees or authorized agents or any other person under the direction or control of Operator shall be permitted to carry firearms or any weapon while crossing the Lands, and such persons shall not hunt or fish on Owner's property and shall not trespass on Owner's property for the purposes of hunting or fishing or recreational uses. No explosives shall be used the Lands. Operator will notify all of its contractors, agents

and employees that no firearms, weapons, hunting, fishing or recreational activities will be allowed on Owner's property



- 15 **Water** Operator shall not use any water from existing wells, reservoirs and springs on Owner's property, without Owner's prior written consent. Operator shall not disturb, interfere with, fill or block any creek, reservoir, spring or other source of water on Owner's property
- 16 **Enforcement Costs.** If Operator defaults under this Agreement, Operator shall pay all costs and expenses, including a reasonable attorney's fee, incurred by Owner in enforcing this Agreement
- 17 **Time.** Time is of the essence in this Agreement.
- 18 **Indemnification.** To the maximum extent permitted by law, Operator will indemnify, defend and hold Owner, and if applicable, Owner's officers, directors, employees, agents, successors and assigns harmless from any and all claims, liabilities, demands, suits, losses, damages and costs (including, without limitation, any attorney fees) which may arise out of or be related to Operator's activities on Owner's property (including, without limitation, any claims that Operator's operations hereunder are either illegal, unauthorized, or constitute an improper interference with any party's rights, or have damaged the lands or operations of adjacent landowners and including any claims based on the alleged concurrent negligence of Owner)
- 19 **Compliance with Law.** Operator shall conduct operations and activities in accordance with existing local, state and federal laws, rules and regulations
- 20 **Release** To the maximum extent permitted by law, Operator releases and waives and discharges Owner, and, if applicable, Owner's officers, directors, employees, agents, successors and assigns from any and all liabilities for personal injury, death, property damage or otherwise arising out of Operator's operation under this Agreement or use of Owner's property
- 21 **Notice.** Notice may be given to either party to this Agreement by depositing the same in the United States mail, postage prepaid, duly addressed to the other party at the address set out below the party's signature on this Agreement. Such notice shall be deemed delivered when deposited in the United States mail
- 22 **Recording.** This Agreement may not be recorded without the written consent of Owner and Operator
- 23 **Construction of Agreement.** This Agreement shall be construed under the laws of the State of Colorado
- 24 **Assignability and Binding Effect.** This Agreement is assignable by Owner or Operator, and will be binding upon the successors and assigns of the parties

DATED this 9th day of JANUARY, 2007

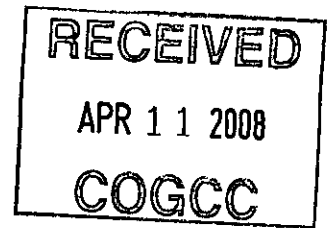
OWNER
Specialty Taverns, Inc

David T. Tachet
By
Title

OPERATOR
Antero Resources Piceance Corporation

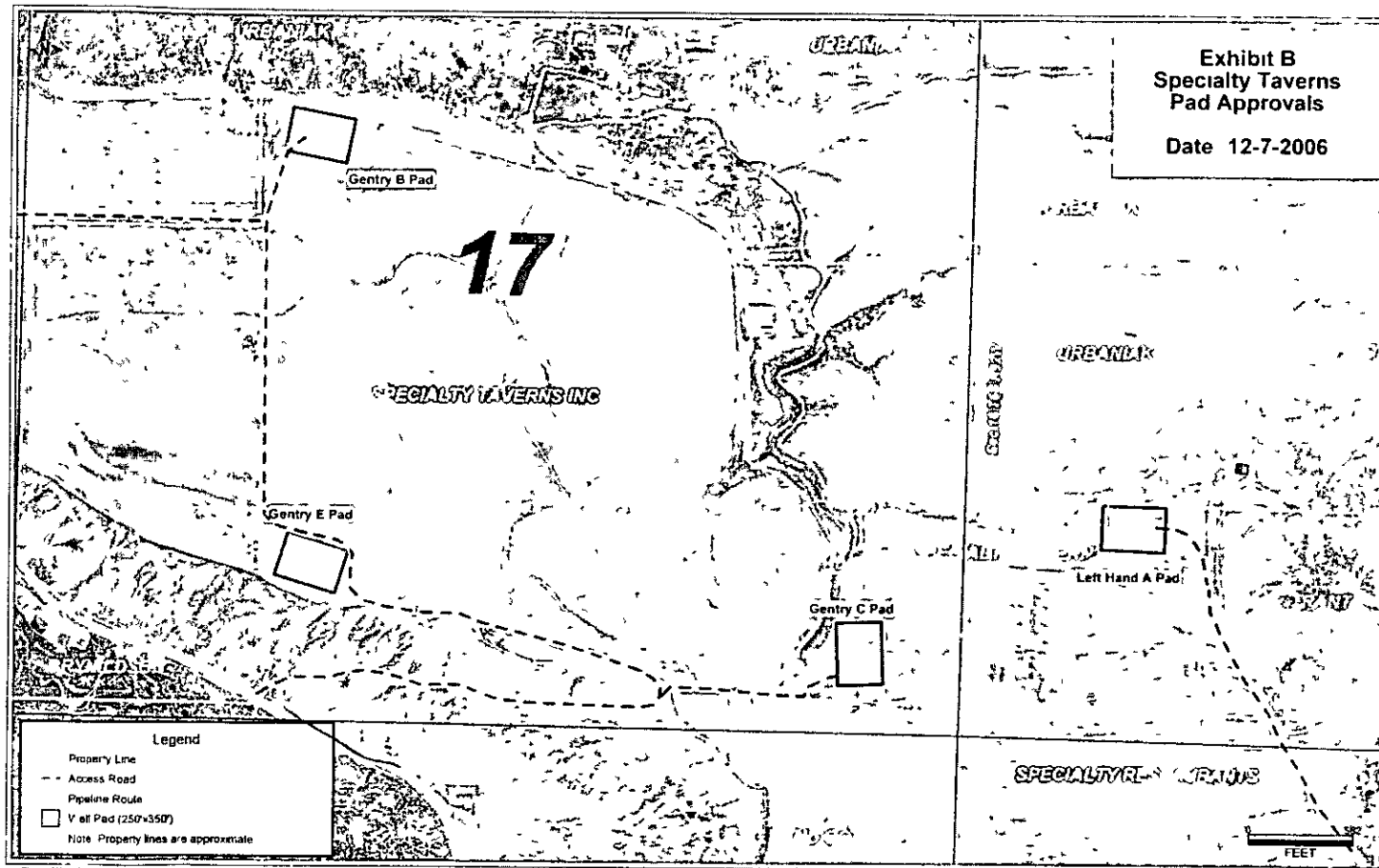
TERENCE A. DOBRIALS
By
Title VICE PRESIDENT

Exhibit A
Description of Lands



All of Owners interest in Sections 16 17 & 18, Township 6 South Range 92 West of the 6th P M ,
Garfield County, Colorado

See Attached Plat marked Exhibit B



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