

## SURFACE DAMAGE AND RELEASE AGREEMENT

This Surface Damage and Release Agreement ("Agreement") is effective the 18<sup>th</sup> day of APRIL, 2013, by and between Joseph J. Hawkins, whose address is P.O. Box 24, Orchard, Colorado 80649 ("Owner"), and Bill Barrett Corporation, a Delaware corporation, whose address is 1099 18<sup>th</sup> Street, Suite 2300, Denver, CO 80202 ("Operator").

### RECITALS

A. Owner owns the surface of the real property in Weld County, Colorado (the "Property"), legally described as:

Township 5N, Range 61 West, 6<sup>th</sup> P.M.

Section: SW 1/4 SECTION 21

B. Operator is the owner/operator of a working interest in oil and gas leases ("Leases") granting Operator certain leasehold rights to minerals beneath the surface of the Property and adjacent properties. These rights include, but are not limited to, the right of access and the right of reasonable use of the surface for temporary and permanent installations.

C. Operator is preparing to develop said leasehold rights, including the construction of a drilling pad or pads at locations complying with Colorado Oil and Gas Conservation Commission ("COGCC") Orders and Regulations on the Property from which one or more wells are contemplated to be drilled, roads, pipelines and other facilities necessary or convenient for production, storage and gathering of oil and gas from said pad sites and proposes to conduct drilling and subsequent production operations on the Property.

D. Owner and Operator desire to enter into this Agreement as a supplement to, but not in derogation of, Operator's leasehold rights, including the right to drill future wells in addition to those enumerated herein.

E. Owner and Operator desire to minimize any surface damage to the Property and to reach an agreement regarding such surface damage.

F. Owner and Operator wish to memorialize their agreement concerning the payment for damages to the surface of the Property in connection with Operator's use of the Property for drilling, construction, completion, recompletion, reworking, re-entry, production, maintenance and operation of the Well(s) and installation of all pipelines, tank batteries, temporary surface lines and other facilities or property of Operator or its affiliates associated with the Well(s) and Field Facilities.

NOW THEREFORE, for and in consideration of Ten and no/100 Dollars and other good and valuable consideration paid to Owner by Operator, the receipt and sufficiency of which are hereby acknowledged, and the payments, covenants and agreements provided herein, Owner does hereby grant the rights, easements and releases provided for herein, subject to the consideration provided for herein and the terms and conditions contained herein.

Owner hereby acknowledges, confirms and ratifies Operator's rights of ingress and egress and to install and operate Facilities on the Property, or lands pooled therewith authorized under terms of its oil and gas leases. For the consideration provided for herein, Owner hereby expressly grants and conveys such easements on and across the Property as may be necessary or convenient for Operator's operation of

its field Facilities as referenced herein, whether the physical location of such Facilities is on the Property or on lands owned by other parties, for a term of two years beyond expiration of a term running commensurate with the extended term of the Operator's last valid and subsisting oil and gas lease under the Property, or lands pooled therewith. Owner and Operator hereby acknowledge and agree that Owner hereby grants to Operator the right to utilize the Property to drill, produce and transport production from bottom-hole locations on third party lands situated adjacent or diagonal to the Property, provided Owner is compensated as provided herein for each well drilled from a surface location situated on the Property in accordance with the compensation terms provided herein.





IN WITNESS WHEREOF, the Parties have executed this Agreement, effective this 18  
day of April, 2013.

**OWNER:**

\_\_\_\_\_  
Joseph J. Hawkins

\_\_\_\_\_  
P.O. Box 24

\_\_\_\_\_  
Orchard, CO 80649

\_\_\_\_\_  
*Joseph J. Hawkins*

**OPERATOR:**

**BILL BARRETT CORPORATION**

By: *Matthew T. Walker*  
*mw*

Name: Huntington T. Walker

Title: Senior Vice President – Land

ACKNOWLEDGEMENTS

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

On this 18<sup>th</sup> day of April 2013, before me personally appeared Huntington T. Walker, known to me to be the Senior Vice President – Land of BILL BARRETT CORPORATION and that he executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein set forth.

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

My Commission Expires: 10.6.2015



My Commission Expires 10.6.2015

Notary Public: [Signature]

STATE OF COLORADO                     )  
  ) ss.  
COUNTY OF MORGAN                     )

The foregoing instrument was acknowledged before me this 18 day of APRIL, 2013  
by JOSEPH J HAWKINS.

My commission expires 7-7-2016

Notary Public: [Signature]

