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EASEMENT, RIGHT-OF-WAY
and
SURFACE USE AGREEMENT

This Easement, Right-of-Way and Surface Use Agreement ("Agreement") is entered into as of the 5th day of April, 2004, by and between Ronald F. Nichols, whose address is 11183 WCR 39 Fort Lupton, CO 80621 ("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: 2 North, Range 65 West, of the 6th P.M.
Section: 6 S/2SE/4

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

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 April 5, 2004, 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 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.

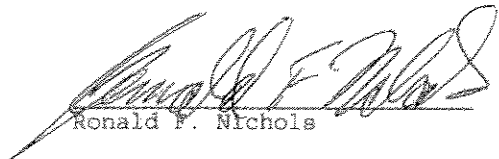
2. Grant of Right of Way and Easement

Surface Owner hereby grants, bargains, sells, assigns and conveys to KMRMC 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.

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


Ronald F. Nichols

Kerr-McGee
Rocky Mountain Corporation

By: 
James P. Wason
Attorney-in-Fact



3173771 04/26/2004 11:58A Weld County, CO
2 of 2 R 11.00 D 0.00 Steve Moreno Clerk & Recorder

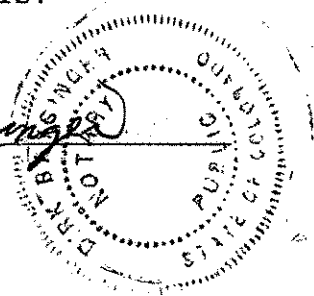
STATE OF COLORADO)
) ss
COUNTY OF WELD)

The foregoing instrument was acknowledged before me
this 10 day of April, 2004, by Ronald F. Nichols.

Witness my hand and official seal.

Debra Daymiller
Notary Public

My commission expires 6/13/2006



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

This instrument was acknowledged before me this 15th day
of April, 2004, 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 03/24/2006



Kerr-McGee Oil & Gas Onshore LP

March 10, 2011

HAND DELIVERED

Ronald F. Nichols
11183 County Road 39
Fort Lupton, CO 80642

Re: Notice of Intent to Conduct Surface Operations
NICHOLS TANK BATTERY 10-6
Township 02N, Range 65W, Section 6
Weld County, Colorado

Dear Mr. Nichols:

The Colorado Oil and Gas Conservation Commission ("COGCC") has adopted guidelines and procedures regarding oil and gas activities affecting the surface. These rules stipulate that an affected surface owner must be given advance notice in writing by an operator at least thirty (30) days prior to drilling an oil and gas well.

Kerr-McGee Oil and Gas OnShore LP ("KMG") intends to begin operations to drill the above captioned oil and gas well(s) upon approval of title, receipt of permits from the COGCC prior to August 31, 2011. As the surface owner, it is your responsibility to notify the tenant farmer, if applicable, of this proposed operation.

A site diagram of the proposed location of the well and any associated roads and production facilities is enclosed. Should you have any questions and/or concerns, please contact me at (303) 655-4350 or my cell at (970) 590-6249.

Very truly yours,
KERR-MCGEE OIL AND GAS ONSHORE LP

David Bell
Landman

I/we waive the 30 day notice referenced above and approve of the operations commencing upon KMG's receipt of the drilling permit.

cc
Enclosures