



SURFACE USE AGREEMENT

123-24128

THIS SURFACE USE AGREEMENT ("Agreement"), dated effective this 16<sup>th</sup> day of August, 2006, is made by and between the undersigned, Paul A. Sater, whose address is 28496 WCR 44, Kersey, Colorado 80644, herein called "Owner", and United States Exploration, Inc., 1625 Broadway, Suite 2000, Denver, Colorado 80202, herein called "USX";

WHEREAS, Owner represents that they are the surface owners and in possession of an interest in part or all of the surface estate for the following described lands in Weld County, Colorado, said land herein called "Lands", to wit;

Township 4 North, Range 63 West, 6th P.M.  
Section 19: NW ¼ SE ¼  
Well name: Sater CC19-10

WHEREAS, Owner recognizes that USX has the right to conduct operations on the Lands pursuant to Oil & Gas Lease(s) covering the Lands and Owner and USX desire to minimize any surface damage to the Lands and to reach an agreement regarding such surface damage;

NOW, THEREFORE, in consideration of the ten dollars and other valuable consideration, the sufficiency of which is hereby acknowledged, Owner and USX agree as follows:

1. Payment to Owner. Prior to commencement of drilling operations on the Lands, USX shall pay Owner the following sum as full settlement and satisfaction of all damages growing out of, incident to, or in connection with the usual and customary exploration, drilling, completion, deepening, refracing, recompletion, reworking, equipping and production operations, unless otherwise specifically provided herein:

A. for each proposed well site located on the Lands in which Owner owns the entire surface estate, together with any lands used for road purposes, production facilities, pipelines, flowlines or other necessary facilities in connection with the wellsite.

B. If, by reasons directly resulting from the operations of USX, there is damage to real or personal property upon the Lands which is not associated with usual and customary operations, including, but not limited to, damage to livestock, structures, buildings, fences, culverts, cement ditches, irrigation systems, and natural water ways, such damage will be repaired or replaced by USX, or USX will pay reasonable compensation to Owner for such additional actual damage or an amount equal to the reasonable costs to repair such actual damages.

C. Owner agrees to notify any surface tenant that may be affected by USX's operations on the Lands and Owner may allocate the payments made hereunder with such surface tenant as they shall mutually determine between themselves and USX shall have no liability therefor.

2. Consultation. If requested by Owner, prior to heavy equipment operations on each wellsite, USX's representative will meet and consult with Owner (or Owner's representative) as to the location of the wellsite, access road, flowlines, tank batteries and other associated production facilities.

3. USX's Obligations. In conducting operations on the Lands, USX shall:

A. Locate the wellsite, access road, flowlines, tank batteries and other associated production facilities as depicted on Exhibit "A" attached hereto and by this reference made a part of this Agreement.

B. Limit the size of each wellsite to approximately 300 feet by 300 feet during any drilling, completion, recompletion or workover operations and shall be no more than 1/4 acre in size during other periods. The area required for any tank battery location associated with each well shall be limited to approximately one-half acre in size upon completion of construction. Access roads shall be limited to approximately 15 feet in width, except when the road is not straight in which case the road may need to be wider but no more than 30 feet for operational needs, during drilling, completion, deepening, refracing, recompletion, reworking, equipping and production operations. The permanent access roads to the wellhead and tank battery location shall be limited to 12 feet in width. These roads will be maintained by USX to a level required by our operational needs. All roads to tank batteries will be plated and graveled. Roads to well heads only, will be plated and may be graveled in the future as operationally necessary. All well flow lines will be located under access roads. USX will install cattle guards and gates at all fence lines crossed for operations.

C. Separate the topsoil at the time of excavation of pits so that the topsoil and subsurface soil can be placed back in proper order as nearly as possible.

D. Reclaim the wellsite as nearly as practicable to its original condition and if the location is in pasture, reseed the location with native grasses. Weather permitting, reclamation operations shall be completed within three months following drilling and subsequent related operations, unless USX and Owner mutually agree to postponement because of crop or other considerations.

E. Use its best efforts to keep the well, Lands, and production facilities free of weeds and debris.

4. Waiver of Thirty Day Notice. Owner hereby waives the minimum thirty-day written notice requirement described in the Notice Letter provided by USX to Owner when it initially gave notice of its intent to drill on the Lands.

binding upon and inure to the benefit of the heirs, successors and assigns of Owner and USX and may be executed in counterparts.

6. Confidentiality. Owner agrees to keep the amount of consideration paid hereunder by USX confidential and shall not disclose such information without the advance written consent from USX. USX may record a memorandum evidencing the existence of this Agreement.

7. Governing Law/Venue. This Agreement shall be interpreted according to the laws of the State of Colorado. Venue for any dispute shall be Weld County, Colorado.

8. Written Modifications/Notices. This Agreement may only be amended in writing signed by both parties. All notices to either party shall be in writing addressed to the parties at the address first set forth above.

AGREED TO AND ACCEPTED AS OF THE DATE FIRST WRITTEN ABOVE.

Owner: Paul A. Sater

By: Paul A. Sater

SS#: \_\_\_\_\_

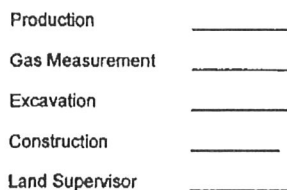
UNITED STATES EXPLORATION, INC.

By: Charles G. Cereghino  
Attorney-in-Fact

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Attached to and by reference made a part of that certain Surface Use Agreement dated June 27, 2006,  
by and between Noble Energy Production, Inc. as "Noble" and Paul A. Sater, as "Surface Owner"  
covering the following lands:

Section 19: E ½  
Weld County, Colorado



Flowline/Access Road - - - - -

Access Road NE/4 to SE/4 \_\_\_\_\_