

917

**SURFACE USE AGREEMENT**

**THIS SURFACE USE AGREEMENT** (the "Agreement") is made and entered into this 12th day of July, 2002, by and among **PATINA OIL & GAS CORPORATION**, a Delaware corporation, and **SOCO WATTENBERG CORPORATION**, a Delaware corporation (collectively "Patina"), 1625 Broadway Suite 2000, Denver, Colorado 80202 and **RIDGE LANDS INVESTMENTS, LLC**, a Colorado limited liability company, ("Ridge Lands"), 280 Adams Street, Denver, Colorado 80206.

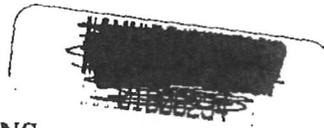


**RECITALS**

UO29351A02

- A. Ridge Lands is the owner or has exclusive rights to purchase the surface estate in a tract of land located in the E/2NW/4 of Section 1, Township 1 North, Range 68 West of the 6<sup>th</sup> P.M., City of Dacono, County of Weld, State of Colorado (the "Property").
- B. The oil and gas estate in and under the Property, from below the base of the Shannon formation to the base of the Dakota formation is presently subject to valid and subsisting oil and gas leases (the "Leases"), which leasehold interest is owned of record by Patina.
- C. Patina's leasehold rights include, among other things, the right of ingress and egress for the purposes of exploration, development, drilling, re-drilling, testing, completion, re-completion, re-entry, deepening, fracturing, re-fracturing, stimulation, reworking, production and maintenance operations associated with oil and gas wells and the associated pipelines and production facilities to be located on the Property.
- D. Patina currently operates the Cosslett Heirs 1-3V well and its associated flowline and production facility located on the Property.
- E. Patina has identified two locations on the Property at which it desires to drill new oil and gas wells (the Cosslett Heirs 1-3V well and the additional wells that may be drilled shall collectively be referred to as the "Wells"). The Wells are further described on Exhibit "A" attached hereto and made a part hereof.
- F. Ridge Lands desires to undertake certain development of the surface of the Property into the Ridge Lands Subdivision as shown in the Final Plat to be recorded in the real estate records of Weld County (the "Subdivision").
- G. Patina and Ridge Lands enter into this Agreement to provide for the coexistence and joint development of the surface estate and the oil and gas estate of the Property, and to delineate the process by which the parties shall comply with respect to the development of the two estates.

**NOW, THEREFORE**, in consideration of the covenants set forth herein and the mutual benefits to be derived by the parties hereto, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties do hereby agree as follows:



1. AREAS RESERVED FOR OIL AND GAS OPERATIONS.

1.1. Oil and Gas Operations. Ridge Lands shall, and does hereby ratify and, to the extent necessary, grant to Patina an easement, substantially in the form attached hereto as Exhibit "B", to utilize the areas depicted and/or described on Exhibit "A" as the "Oil and Gas Operations Area" for wellsites, production facilities, pipelines and access roads for such operations. Patina shall have the right to undertake the drilling, deepening, recompleting, fracturing, re-fracturing, stimulation or reworking of wells to be located on the Oil and Gas Operations Area and Patina shall have the continued right to deepen, recomplete, fracture, re-fracture, stimulate and rework the Cosslett Heirs 1-3V well.

1.2. Oil and Gas Operations Area. Other than public access, the Oil and Gas Operations Area shall be reserved and utilized for the exclusive purpose of any and all oil and gas operations by Patina, including, but not limited to, drilling and production activities, workovers, well deepenings, recompletions, fracturing, drilling of replacement wells and additional wells, and re-fracturing, among other things.

1.3. Pipeline Easements. Patina shall have the right to construct, operate and maintain pipelines on the Property. In order to provide for such, Ridge Lands shall, and does hereby ratify and, to the extent necessary, grant to Patina an easement, substantially in the form attached hereto as Exhibit "C", to utilize the areas depicted and/or described on Exhibit "A" as "Pipeline Easements". The Pipeline Easements shall provide for a thirty (30) foot width being fifteen (15) feet on each side of each pipeline. The Pipeline Easements shall contain no other utilities except for those shown on Exhibit "A" and said other utilities shall be located at least ten (10) feet from Patina's pipelines. Ridge Lands shall, however, have the right to cross the Pipeline Easements with roads and utilities built at substantially right angles to the Pipeline Easements. Patina shall have no liability for any loss or damage to any such improvements pursuant to an exercise of its rights of ingress and egress on the lands for the uses contemplated hereunder for the Pipeline Easements. The Pipeline Easements shall be surveyed by Ridge Lands at Ridge Lands expense and provided to Patina in a form suitable for use as an attachment to Exhibit "C".

1.4. Limitation on Use of the Property. Except for the Oil and Gas Operations Area and Pipeline Easements, and access as provided in Section 8, Patina shall not use or occupy any part of the surface of the Property except in the event of an emergency or to access the Oil and Gas Operations Area and Pipeline Easements. Patina specifically relinquishes its right to use the surface of the portions of Outlot A and Outlot D of the Subdivision that are not located within the Oil and Gas Operations Area or the Pipeline Easement. As part of the consideration for this limitation by Patina, of what would otherwise be the right to make reasonable use of any part of the Property in the conduct of their operations, and without limiting the applicability of Sections 16 and 17 below, Patina shall not be obligated to pay, and Ridge Lands hereby waives any right to receive, any further surface damage payments, license or use fees, now or in the future, associated with the operations of Patina within the Oil and Gas Operation Areas and Pipeline Easements.

1.4.1 Ridge Lands shall place no property lines (excluding the property lines for Lots 1-5 Block 9, Filing 1 of the Subdivision), buildings, structures or improvements (excluding

storm sewers, oil and gas pipelines, gravel paths, detention ponds and tot lots) of any kind within the Oil and Gas Operations Area or that interfere with the use by Patina of the Pipeline Easements.

1.4.2 Ridge Lands shall place no buildings, structures, improvements, public roads or above-ground utility lines (excluding detention ponds and gravel paths) within two hundred (200) feet of the Proposed New Well Locations as shown on Exhibit "A-1" attached hereto. This radius shall be reduced to one hundred fifty feet (150') once the wells are drilled on the Proposed New Well Locations.

1.4.3 Ridge Lands shall place no permanent building, structure or improvement within one hundred fifty (150) feet of the Cosslett Heirs 1-3V well, oil tanks or separators as shown on Exhibit "A-1".

1.4.4 Ridge Lands shall restrict the construction of buildings, structures or improvements on Lots 1-5, Block 9, Filing 1 of the Subdivision until the Wells located within one hundred fifty feet of the property lines for Lots 1-5, Block 9, Filing 1 of the Subdivision have been plugged and abandoned. Patina shall not locate wellsites, production facilities, pipelines or access roads on Lots 1-5, Block 9, Filing 1 of the Subdivision provided, however, Patina shall have the right to utilize the surface of Lots 1-5, Block 9, Filing 1 of the Subdivision in conjunction with its operations in the remainder of the Oil and Gas Operations Area. Once the wells are drilled on the Proposed New Well Locations, the restriction on Lots 1-5, Block 9, Filing 1 shall only apply to those lots which are encroached upon by the 150' radius as shown on Exhibit "A-1".

1.4.4 1.4.5 Without prior written consent from Patina, Ridge Lands shall not construct or allow the construction of dwellings or structures intended for human occupancy within seventy-five (75) feet on either side of the Pipeline (as defined in Section 3) except at those locations where the Pipeline is to be sleeved. At the locations where the Pipeline is sleeved, without the prior written consent from Patina, Ridge Lands shall not construct or allow the construction of dwellings or structures intended for human occupancy within forty (40) feet on either side of the Pipeline.

1.5 Waiver of Certain Requirements. So long as Patina's operations have not substantially breached any material terms of this Agreement, Ridge Lands waives all setback requirements in Colorado Oil and Gas Conservation Commission ("COGCC") Rule 603, or any successor rule or amendment to the COGCC setback rules, and to any other state or local setback requirements or other requirements or regulations that are or become inconsistent with this Agreement or that would prohibit or interfere with the rights of Patina to explore for and produce the oil and gas in accordance with this Agreement. Ridge Lands understands that Patina may cite the waiver in this Section 1.5 in order to obtain a location requirement exception or variance under COGCC rules or from a local jurisdiction. Ridge Lands also agrees that it will not object in any forum to the use by Patina of the surface of the Property consistent with this Agreement and that it will also provide Patina with whatever support in writing they may reasonably require to obtain permits from the COGCC or any local jurisdiction.

2. **PRODUCTION FACILITY AND ACCESS ROAD RELOCATION.** Patina shall relocate the existing production facility and access road for the Cosslett Heirs 1-3V well to the

relocated production facility as identified on Exhibit "A", all in accordance with the following terms and conditions:

2.1 Construction of Relocated Production Facility. Simultaneously with the field staking of the Pipeline as set forth in Section 3.1 below, Ridge Lands shall complete the field staking of the boundaries of the relocated production facility. The field staking shall consist of a marker every thirty (30) feet. Within sixty (60) days of the receipt of written notification that the field staking is complete and upon receipt of the payment provided in Section 4, whichever is later, Patina shall complete the construction of the production facility within the staked boundary and the construction of the access road thereto. Patina shall install fences, gates and locks reasonably necessary for the security of the production facility.

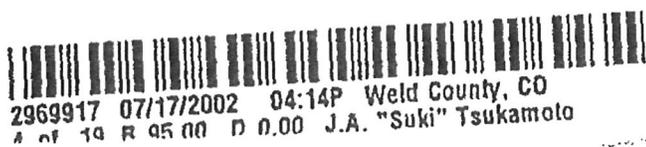
2.2 Abandonment of Existing Production Facility. On completion of construction of the Pipeline and production facility, as provided in Sections 2 and 3, Patina will abandon the existing production facility. Patina shall abandon the production facility pursuant to the regulations of the COGCC. Patina will perform necessary testing to determine that the abandoned production facility site meets COGCC regulations. Patina shall not be required to grade, recontour, or revegetate the abandoned production facility site.

3. **PIPELINE CONSTRUCTION AND REMOVAL.** Patina shall reconstruct the pipeline from the relocated production facility to the Kerr-McGee meter run (the "Pipeline") within the Pipeline Easement and remove the abandoned segments of the Pipeline. The Pipeline will be constructed with casing sleeves and risers, all in accordance with the following terms and conditions:

3.1 Construction of Pipeline. Ridge Lands shall complete the field staking for the installation of the new Pipeline alignment and its required depth as provided below after giving written notice to Patina. The field staking will consist of a marker every thirty (30) feet, marking the desired depth of the Pipeline, and the beginning and ending locations of portions of the Pipeline to be sleeved. Casing sleeves shall be installed as identified on Exhibit "A". The sleeved segments of the Pipeline shall have casing risers at each end of the sleeved segments. Within sixty (60) days of the receipt of written notification that the field staking is complete and upon receipt of the payment provided in Section 4, whichever is later, Patina will complete the construction of the Pipeline along the routes field staked by Ridge Lands on Exhibit "A". The Pipeline shall be buried to a depth sufficient to result in forty-eight (48) inches below the proposed finished grade of the surface.

3.2 Removal of abandoned Pipeline. On the completion of construction of the new Pipeline, Patina will remove that portion of the Pipeline that was abandoned.

3.3 Line Crossings. If Ridge Lands' surface development of the Property requires the crossing of Patina's relocated Pipeline (within five (5) feet of a location that is not sleeved) by a sewer line, water line or other utility, Ridge Lands shall notify Patina (a) of the date and time of the line crossing (the "Commencement Time"), and (b) when the line crossing has been completed (the "Completion Time"). If in response to Ridge Lands' notification, Patina suspends production through the Pipeline, then Ridge Lands shall pay Patina for each calendar day or part thereof between the Commencement Time and the Completion Time, the sum of Four Hundred Fifty Dollars (\$450.00) per day. Such payments shall be the agreed amount to compensate Patina



for its response and any lost or delayed production, and shall be made to Patina within fifteen (15) days of receipt of an invoice from Patina. Any such payments shall be in addition to the payment for lost and/or delayed production contained in the Relocation Costs. Ridge Lands shall maintain a distance of a minimum eighteen (18) inches above or below the Pipeline at any such crossings.

4. **CONSTRUCTION AND RELOCATION COSTS.** Patina's current estimated cost to complete the operations described in Sections 2 and 3 above is Ninety-one Thousand, Six Hundred Eighty-two Dollars (\$91,682.00). This cost is expected to increase in the future. Not less than ninety (90) days prior to the date Ridge Lands desires Patina to commence construction and relocation operations, Ridge Lands shall notify Patina in writing of such desire and shall pay to Patina by cashier's check or wire transfer of immediately available funds an amount which shall equal Patina's then current estimate of the total cost to complete the operations described in Sections 2 and 3, Ridge Lands shall be and remain responsible for all actual administrative, supervisory, consulting, procurement, construction, relocation and delayed production costs (the "Relocation Costs") incurred by Patina, and shall pay to Patina the positive difference, if any, between such Relocation Costs and the above payments within thirty (30) days of receipt of an invoice from Patina for such difference. If the Relocation Costs are less than the estimated payment, Patina shall refund the difference.

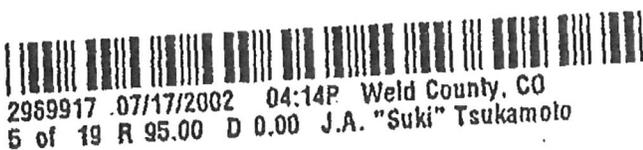
5. **KERR-MCGEE GATHERING.** Ridge Lands acknowledges and agrees that Patina's obligation to conduct the work described in Sections 2 and 3 above is subject to and conditioned upon Ridge Lands reaching agreement with Kerr-McGee Gathering regarding the construction on the Property of meters, sales lines and other facilities necessary for the gathering and transportation of natural gas produced from the Wells. Ridge Lands shall provide Patina notice of Ridge Lands reaching such agreement with Kerr-McGee Gathering. To the extent such agreement is reached after the Effective Date of this Agreement, the time frame for performance of work as outlined in this Agreement shall begin upon delivery of written notification to Patina by Ridge Lands that such agreement with Kerr-McGee Gathering is effective.

6. **CONSTRUCTION COORDINATION.** Upon commencement by Patina of the construction operations pursuant to Sections 2 and 3 above, Ridge Lands shall cease those operations on the Property that would be likely to interfere with Patina's obligations pursuant to this Agreement. To the extent that Ridge Lands' operations delay Patina's operations or upon the occurrence of an event of force majeure, Patina will not be subject to the performance time frames set forth in Section 2 and 3.

7. **SURFACE RECLAMATION.** Patina or succeeding oil and gas operators shall be responsible for their respective costs of interim and final reclamation and surface restoration related to such future operations to the extent required by the COGCC.

8. **ACCESS.**

8.1 During Ridge Lands development of the surface of the Property and at all times thereafter, it shall at all times provide Patina access to the Oil and Gas Operations Area and Pipeline Easements, though the location of that access may vary from time to time in accordance with the needs and progress of such surface development.



8.2 Ridge Lands will construct paved roads, reinforced curbs, reinforced gutters and reinforced sidewalks to accommodate Patina's access to the Oil and Gas Operations Area and Pipeline Easements and shall provide curb cuts at all "Access Points" shown on Exhibit "A". The curb cuts at the Access Points shall be at least thirty (30) feet wide. The paved roads leading to the Access Points and the curbs, gutters and sidewalks at the Access Points shall be reinforced to accommodate a gross vehicle weight of at least 28,000 pounds per axle.

9. **PRODUCTION FACILITIES.** Patina shall have the right to locate, relocate, build, repair and maintain tanks, separators, dehydrators, compressors and other equipment necessary, appropriate or convenient for the operation and production of the Wells, only within the Oil and Gas Operations Area and the areas designated for such purpose on Exhibit "A". With respect to the Wells and production facilities of Patina, other than pipelines and access roads, Patina shall install and maintain fences, gates and locks reasonably necessary for the security of the Wells and/or production facilities in the Oil and Gas Operations Area. Such fences, gates and locks shall be installed at the expense of Ridge Lands and maintained at the expense of Patina and shall be of a type and quality customarily used for such purpose.

10. **LANDSCAPING.** Ridge Lands may install and maintain ground cover, landscaping and watering systems ("Landscaping") within the Pipeline Easements at its own expense and risk, acknowledging that Patina's normal operations may from time to time disturb or destroy said Landscaping. Ridge Lands hereby agrees to install and maintain said Landscaping in such a way as to not violate the COGCC regulations or impede Patina's access and/or operations. Ridge Lands hereby accepts all responsibility for the cost of installation, repair and/or replacement of said Landscaping within the Pipeline Easements and Patina shall not be responsible for damage to said Landscaping resulting from its future access or operations.

11. **CONSIDERATION.** Upon the execution of this Agreement, Ridge Lands shall tender to Patina in the means and manner to be designated by Patina, the sum of [REDACTED]

12. **NOTICE OF FUTURE OPERATIONS.** Patina shall provide at least thirty (30) days prior written notice to Ridge Lands in advance of any operations for the drilling of new wells) within the Oil and Gas Operations Area. Patina shall provide at least seven (7) days prior written notice in connection with the reworking, fracturing, deepening or other unusual or other than routine operations on the Wells; provided, however, that Patina shall have immediate access in the event of an emergency.

13. **NOTICES TO HOMEOWNERS AND BUILDERS.** Ridge Lands shall record a plat or map showing the Oil and Gas Operations Area, Wells and Pipeline Easements in the real property records of Weld County, Colorado. In addition, Ridge Lands shall record in the real property records of Weld County, Colorado a "Notice of Oil and Gas Operations", substantially in the form attached hereto as Exhibit "D" that conspicuously states that:

13.1 There may be ongoing oil and gas operations in the Oil and Gas Operations Area and Pipeline Easements;

13.2 Purchasers of all or a portion of the Property, as successors in interest to Ridge Lands, will be acquiring a proportionate interest in Ridge Lands' rights and obligations under this Agreement and will be subject to the waivers contained in this Agreement which, with respect to

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wry Title  
# 720064





operations within the Oil and Gas Operations Area and pursuant to Section 1.5 above, shall constitute a waiver of the setback requirements provided in Commission Rule 603.e.(6) or any successor or amended state setback rule and also local setback requirements, among other obligations.

**14. FUTURE OPERATIONS.** Patina shall make all reasonable efforts to pursue any drilling, re-drilling, reworking and/or recompletion operations in a diligent manner so as to minimize the total time period on location and to avoid rig relocations or startup delays during the course of drilling. Ridge Lands waives and shall not assert any right to require that wells and wellhead or production equipment be located in conformance with setback requirements different from those agreed to in this Agreement (including but not limited to those concerning any "high density" rules of the COGCC).

**15. GOVERNMENTAL PROCEEDINGS.**

15.1 Ridge Lands shall not, directly or indirectly, oppose or encourage opposition to Patina in any agency, administrative or other governmental proceedings, including but not limited to the COGCC, the City of Dacono or other governing body proceedings, related to the operations of Patina on the Property, including but not limited to drilling and production activities, workovers, well deepenings, recompletions, fracturing, replacement wells and re-fracturing, provided that the position of Patina in such proceedings is not materially inconsistent with this Agreement.

15.2 Patina shall not directly or indirectly oppose or encourage opposition to Ridge Lands in any agency, administrative, county, City of Dacono or other governing body proceedings, relating to Ridge Lands' operations on and development of the Property, including residential and associated development, provided that Ridge Lands' position in such proceedings is not materially inconsistent with this Agreement. Ridge Lands shall provide written notice to Patina fifteen (15) days before each hearing on an application of Ridge Lands which affects the Property.

**16. LIMITATION OF LIABILITY, RELEASE AND INDEMNITY.**

**16.1 NO PARTY SHALL BE LIABLE FOR, OR BE REQUIRED TO PAY FOR, SPECIAL, PUNITIVE OR EXEMPLARY DAMAGES TO ANY OTHER PARTY FOR ACTIVITIES UNDERTAKEN WITHIN THE SCOPE OF THIS AGREEMENT.**

16.2 Each party shall be and remain responsible for all liability for losses, claims, damages, demands, suits, causes of action, fines, penalties, expenses and liabilities, including without limitation attorneys' fees and other costs associated therewith (all of the aforesaid herein referred to collectively as "Claims"), arising out of or connected with each such party's ownership or operations, including each such parties' employees, agents, contractors, sub-contractors or other invitees on the Property, no matter when asserted, subject to applicable statutes of limitations. Each such party shall release, defend, indemnify and hold the other parties, their officers, directors, employees, successors and assigns, harmless against all such Claims that arise from its negligence. This provision does not, and shall not be construed to, create any rights in persons or entities not a party to this Agreement, nor does it create any separate rights in parties to this Agreement other than the right to be indemnified for Claims as provided herein.

17. **EXCLUSION FROM INDEMNITIES.** The indemnities of any party herein shall not cover or include any amounts, which the indemnified party may recoup from any third party, or that for which the indemnified party is reimbursed by any third party. The indemnities in this Agreement shall not relieve any party from any obligations to third parties.

18. **NOTICE OF CLAIM FOR INDEMNIFICATION.** If a Claim is asserted against a party for which another party would be liable under the provisions of Section 16 above, it is a condition precedent to the indemnifying party's obligations hereunder that the indemnified party give the indemnifying party written notice of such Claim setting forth all particulars of the Claim, as known by the indemnified party, including a copy of the Claim (if it is a written Claim). The indemnified party shall make a good faith effort to notify the indemnifying party within thirty (30) days of receipt of a Claim and shall affect such notice in all events within such time as will allow the indemnifying party to defend against such Claim.

19. **REPRESENTATIONS.** Each party represents that it has the full right and authority to enter into this Agreement and Ridge Lands specifically confirms its capacity to validly execute the rights of way and easements provided for herein. Patina represents that it owns the oil and gas leasehold interest in the Leases as set forth in Recital B. Patina does not represent and specifically asserts that it does not have the right to bind any other oil and gas interest owner, lessee or assignee for the Property.

20. **SUCCESSORS.** The terms, covenants and conditions hereof shall be binding upon and shall inure to the benefit of the Parties and their respective heirs, devisees, executors, administrators, successors and assigns. This Agreement and all of the covenants herein shall be covenants running with the land.

21. **NOTICES.** Any notice or other communication required or permitted under this Agreement shall be sufficient if deposited in the U.S. Mail, postage prepaid, with a copy sent via facsimile, addressed to each of the following:

**If to Patina Oil & Gas Corporation and/or SOCO Wattenberg Corporation:**

Patina Oil & Gas Corporation  
1625 Broadway, Suite 2000  
Denver, Colorado 80202  
Attention: Land Department  
Phone: (303) 389-3600  
Fax: (303) 595-7410

**If to Ridge Lands Investments, LLC**

Ridge Lands Investments, LLC  
280 Adams Street  
Denver, CO 80206  
Attention: Gregory W. Kent  
Phone: (303) 321-9002  
Fax: (303) 320-0005

Any party may, by written notice so delivered to the other party, change the address, fax number or individual to which delivery shall thereafter be made.



22. **RECORDING.** This Agreement containing the general provisions and parties, any amendment hereto, and the notice requirements pursuant to Section 13 above shall be promptly recorded in the Office of the Clerk and Recorder for Weld County by Ridge Lands, and Ridge Lands shall provide the other parties with a copy thereof showing the recording information as soon as practicable thereafter.

23. **SURFACE DAMAGES.** In consideration of the parties' respective rights, obligations and benefits, as outlined herein, this Agreement shall constitute a surface use or surface damage agreement provided for under the COGCC's Rules and Regulations or under any oil and gas leases covering the Property.

24. **APPLICABLE LAW.** This Agreement shall be governed by and construed in accordance with the laws of the State of Colorado, without reference to its conflict of laws provisions.

25. **ENTIRE AGREEMENT.** This Agreement sets forth the entire understanding among the Parties regarding the matters addressed herein, and supersedes any previous communications, representations or agreement, whether oral or written. This Agreement shall not be amended, except by written document signed by all parties.

26. **HEADINGS.** The section headings contained herein are for convenience in reference and are not intended to define or limit the scope of any provision of this Agreement.

27. **TIME OF ESSENCE.** Time is of the essence in this Agreement.

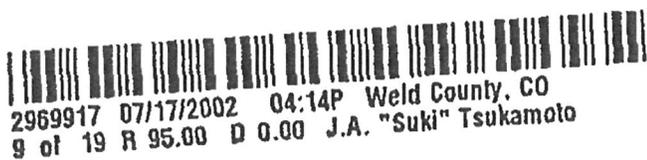
28. **NON-WAIVER.** Waiver by either party or of the failure of any party to insist upon the strict performance of any provision of this Agreement shall not constitute a waiver of the right or prevent any such party from requiring the strict performance of any provision in the future.

29. **SEVERABILITY.** Any covenant, condition or provision herein contained that is held to be invalid by any court of competent jurisdiction shall be considered deleted from this Agreement, but such deletion shall in no way affect any other covenant, condition or provision herein contained so long as such deletion does not materially prejudice a party in its rights and obligations contained in valid covenants, conditions or provisions. In the event that any part of this Agreement would otherwise be unenforceable or in conflict with applicable laws due to the term or period for which such part is in effect, the term or period for which such part of this Agreement shall be in effect shall be limited to the longest period allowable which does not cause such part to be unenforceable or in conflict with applicable laws.

30. **NO JOINT VENTURE.** This Agreement is not intended to, nor shall it be interpreted to create a joint venture, partnership or any other relationship among the parties.

31. **EFFECTIVE DATE.** This Agreement shall become effective (the "Effective Date") upon the execution of this Agreement by all parties hereto.

32. **COUNTERPARTS.** This Agreement may be executed by facsimile and in any number of counterparts, each of which shall be deemed an original instrument, but all of which together shall constitute but one and the same instrument.





STATE OF COLORADO )  
 ) ss.  
COUNTY OF Jefferson )

2969917 07/17/2002 04:14P Weld County, CO  
11 of 19 R 95.00 D 0.00 J.A. "Suki" Tsukamoto

The foregoing instrument was acknowledged before me this 12th day of July, 2002, by Gregory W. Kent, as Manager of Ridge Lands, LLC, a Colorado limited liability company, on behalf of that limited liability company.

Witness my hand and official seal.

Marilyn Ehrlich  
Notary Public

My Commission expires: \_\_\_\_\_

MARILYN EHRLICH  
NOTARY PUBLIC  
STATE OF COLORADO  
My Commission Expires 08-23-05

*OWS*

# EXHIBIT A-1

NW CORNER, E1/2, NW 1/4,  
SEC 1, T1N, R68W, 6TH P.M.  
(POINT OF COMMENCEMENT)

OUTLOT B  
POINT OF  
BEGINNING

RIDGELANDS  
INVESTMENTS, LLC.

S00713'53"W, 782.57'  
W LINE OF THE E 1/2  
OF THE NW 1/4  
SEC 1, T1N, R68W,  
6TH P.M.

30' SANITARY SEWER EASEMENT  
(DAGONO LINE OF THE PURITAN  
SANITARY SEWER MAIN)

LOT 4

LOT 3

FLING 1  
BLOCK 2  
LOT 2

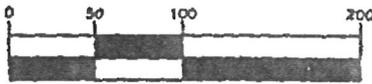
LOT 1

30' RECIPROCAL EASEMENT  
REC. NO. 261968J  
(TO BE VACATED)

OUTLOT B  
4.25 ACRES

FUTURE K.P. KAUFFMAN  
TANK BATTERY SITE  
50'x75'

TRINITY TRUST LLC



1 inch = 100 ft.



30' RECIPROCAL EASEMENT  
REC. NO. 261968J  
(TO BE VACATED)

W LINE OF THE E 1/2  
OF THE NW 1/4  
SEC 1, T1N, R68W,  
6TH P.M.

S00713'53"W  
1746.63'

SW CORNER, E1/2, NW 1/4,  
SEC 1, T1N, R68W,  
6TH P.M.

SCALE	HOR. 1"=100'
	VERT. N/A
DESIGN/APP'D.	JJ
DRAWN BY	PT
DATE	7/11/02
FILE	G:\22662\outl8options.dwg



HURST & ASSOCIATES, INC.

CONSULTING ENGINEERS

4200 Pearl East Circle, Suite 100  
Denver, Colorado 80201 (303) 698-7465





2969917 07/17/2002 04:14P Weld County, CO  
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**Exhibit "B"**

Attached to and made a part of that certain Agreement dated July 12, 2002,  
by and among Patina Oil & Gas Corporation, SOCO Wattenberg  
Corporation and Ridge Lands Investments, LLC

**EXCLUSIVE OIL AND GAS OPERATIONS AREA EASEMENT**

**KNOW ALL MEN BY THESE PRESENTS:**

That Ridge Lands Investments, LLC whose address is 280 Adams Street, Denver, CO 80206, hereinafter referred to as "Grantor", for itself and its successors and assigns, for and in consideration of the sum of Ten Dollars (\$10.00), the receipt and adequacy of which are hereby acknowledged, does hereby grant, sell, convey, and warrant to Patina Oil & Gas Corporation, its successors and assigns, hereinafter referred to as "Grantee", the exclusive right, privilege and easement, for the purpose from time to time of constructing, operating, inspecting, maintaining, protecting, repairing, replacing, changing and removing oil tanks, water pits, well heads, separators, meter runs, flowlines, pipelines, access roads, or other appurtenances, for the production, treatment, on-site storage and transportation of oil, gas, petroleum products, water, and any other substances whether fluid or solid, any products and derivatives of any of the foregoing, and any combinations and mixtures of any of the foregoing, and for the purpose from time to time of drilling, deepening, re-drilling, side tracking, re-completing, fracturing, re-fracturing, stimulating, treating, operating and maintaining existing and future oil and gas wells upon the area selected by Grantee for such purposes on, and through the following described land located in Weld County, State of COLORADO, to wit:

Outlot B and Lots 1-5, Block 9, Filing 1 of the Ridge Lands  
Subdivision located in the E $\frac{1}{4}$ NW $\frac{1}{4}$  of Section 1,  
Township 1 North, Range 68 West, 6th P.M.

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Said exclusive oil and gas operations area easement being more particularly depicted on Exhibit "A" attached hereto and made a part hereof.

To have and to hold the easement unto Grantee so long as the well(s), production facilities and access roads and appurtenances, or any part thereof, shall exist and be maintained, together with the right of ingress and egress to and from said oil and gas operations area, or any of them, on, over, and across said land and adjacent land of Grantor.

Grantor shall not build, construct and maintain, or grant or convey the right to any other person or persons, firm or corporation, to build, construct and maintain, any permanent building, structure or improvement (excluding storm sewers, oil and gas pipelines, gravel paths, detention ponds and tot lots), over and/or through and across the lands embraced in said easement hereby granted.

This easement is given pursuant to an Agreement between Grantor and Grantee dated July 12, 2002. The terms of the Agreement are incorporated by reference into this easement and shall survive the execution, delivery and recording of this easement.

The terms, conditions, and provisions of the contract shall extend to and be binding upon the heirs, executors, administrators, personal representatives, successors, and assigns of the parties hereto. The easement and rights herein granted may be leased or assigned in whole or in part.

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ACKNOWLEDGEMENT

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

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2002 by Gregory W. Kent as Manager of Ridge Lands Investments, LLC, a Colorado limited liability company, on behalf of that limited liability company.

[SEAL]

\_\_\_\_\_

My commission expires: \_\_\_\_\_

Exhibit "C"

Attached to and made a part of that certain Agreement dated July 12, 2002,  
by and among Patina Oil & Gas Corporation, SOCO Wattenberg  
Corporation and Ridge Lands Investments, LLC

NON-EXCLUSIVE PIPELINE EASEMENT

KNOW ALL MEN BY THESE PRESENTS:

That Ridge Lands Investments, LLC whose address is 280 Adams Street, Denver, CO 80206, hereinafter referred to as "Grantor", for itself and its successors and assigns, for and in consideration of the sum of Ten Dollars (\$10.00), the receipt and adequacy of which are hereby acknowledged, does hereby grant, sell, convey, and warrant to Patina Oil & Gas Corporation, its successors and assigns, hereinafter referred to as "Grantee", the right, privilege and easement, fifty (50) feet in width for construction and a permanent easement of thirty (30) feet in width, being fifteen (15) feet from the centerline of a single pipeline, for the purpose from time to time of constructing, operating, inspecting, maintaining, protecting, repairing, replacing, changing the size of, and removing a pipeline, or other appurtenances including above ground receiver site and meter run, for the transportation of oil, gas, petroleum products, water, and any other substances whether fluid or solid, any products and derivatives of any of the foregoing, and any combinations and mixtures of any of the foregoing, upon and along a route to be selected by Grantee on, and through the following described land located in Weld County, State of COLORADO, to wit:

Township 1 North, Range 68 West, 6th P.M.  
Section 1: E $\frac{1}{2}$ NW $\frac{1}{4}$

Said pipeline easement being more particularly described on Exhibit "A" attached hereto and made a part hereof.

To have and to hold the easement unto Grantee so long as such pipeline and appurtenances, or any part thereof, shall be maintained, together with the right of ingress and egress to and from said pipeline, or any of them, on, over, and across said land and adjacent land of Grantor.

Grantor may lay, construct and maintain, or grant or convey the right to any other person or persons, firm or corporation, to lay, construct and maintain, a pipeline or lines or any desired utility, over and/or through and across the lands embraced in said easement hereby granted, provided however, Grantor herein, his successors or assigns shall not use said right so as to materially impair Grantee's rights to use the same for the purposes herein granted. Such pipelines and utilities shall cross the easement at substantially right angles, and pipelines and utilities, which parallel Grantee's pipeline shall not be located closer than ten (10) feet thereto.

Grantor may, in writing, request relocation of the pipeline shown on attached Exhibit "A", Grantor will pay for all relocation costs incurred by Grantee. Both Grantor and Grantee must approve the pipeline relocation route before any relocation operations begin.

It is agreed that the pipeline to be laid under this grant shall be constructed at a minimum depth of four (4) feet below the surface of the ground, and Grantor shall have the right to fully use and enjoy the above-described premises subject to the rights herein granted.

Grantee shall have the right to clear all trees, undergrowth and other obstructions from the herein



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Grantor hereby accepts all responsibility for the cost of installation, repair and/or replacement of streets, sidewalks, curbs, gutters and landscaping located within the easement, and Grantee shall not be responsible for damage or repair to said improvements resulting from its operations within the easement.

Grantee may remove said pipeline or abandon said pipeline in place whenever it may desire and forthwith, upon such removal or abandonment, the easement herein granted and all rights of the parties under this easement shall terminate.

This easement is given pursuant to an Agreement between Grantor and Grantee dated July 12, 2002. The terms of the Agreement are incorporated by reference into this easement and shall survive the execution, delivery and recording of this easement.

The terms, conditions, and provisions of the contract shall extend to and be binding upon the heirs, executors, administrators, personal representatives, successors, and assigns of the parties hereto. The easement and rights herein granted may be leased or assigned in whole or in part.

IN WITNESS WHEREOF, Grantor has executed this instrument this \_\_\_\_ day of \_\_\_\_\_, 2002.

Grantor:

Ridge Lands Investments, LLC

\_\_\_\_\_  
By: Gregory W. Kent, Manager

ACKNOWLEDGEMENT

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

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2002 by Gregory W. Kent as Manager of Ridge Lands Investments, LLC, a Colorado limited liability company, on behalf of that limited liability company.

[SEAL]

\_\_\_\_\_

My commission expires: \_\_\_\_\_

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**Exhibit "D"**

Attached to and made a part of that certain Agreement dated July 12, 2002, by and among Patina Oil & Gas Corporation, SOCO Wattenberg Corporation and Ridge Lands Investments, LLC

**NOTICE OF OIL AND GAS OPERATIONS**

PLEASE TAKE NOTICE THAT PATINA OIL & GAS CORPORATION, a Delaware corporation and SOCO WATTENBERG CORPORATION, a Delaware corporation (collectively "Patina") whose address is 1625 Broadway, Suite 2000, Denver, Colorado 80202, and RIDGE LANDS INVESTMENTS, LLC, a Colorado limited liability company ("Ridge Lands") whose address is 280 Adams Street, Denver, Colorado 80206, have entered into a Surface Use Agreement (the "Agreement") dated July 12, 2002 covering the following described lands (the "Property"):

Township 1 North, Range 68 West, 6th P.M.  
Section 1: E/2NW/4  
City of Dacono, Weld County, Colorado

NOTICE IS HEREBY PROVIDED to all interested parties, including surface owners, their heirs, assignees and successors in interest, that pursuant to the Agreement, Patina, its agents, employees, designees, co-owners, successors and assigns have the right to use and access the surface of the Oil and Gas Operations Area and Pipeline Easements as defined in the Agreement for the purpose of , among other things, DRILLING, DEEPENING, WORKOVER, COMPLETION OR RECOMPLETION OPERATIONS OR CONTINUING ACTIVITIES FOR THE EXPLORATION, PRODUCTION OR TRANSPORTATION OF OIL, GAS, OR OTHER HYDROCARBONS OR PRODUCTS ASSOCIATED WITH THE FOREGOING INCLUDING, BUT NOT LIMITED TO, SURFACE USE, INGRESS TO, EGRESS FROM, AND CONSTRUCTION, MAINTENANCE, REPAIR, REPLACEMENT, AND MONITORING OF WELLS, LOCATIONS, EQUIPMENT, 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.

FURTHERMORE, purchasers of all or any portion of the Property, as successors to Ridge Lands, acquire a proportionate interest in Ridge Lands' rights and obligations under the Agreement and are subject to the waivers contained in the Agreement, including the waiver of all setback requirements in Colorado Oil and Gas Conservation Commission ("COGCC") Rule 603, or any successor rule or amendment to the COGCC setback rules, and to any other state or local setback requirements or other requirements or regulations that are or become inconsistent with the Agreement or that would prohibit or interfere with the rights of Patina to explore for and produce oil and gas in accordance with the Agreement.

The Agreement has been recorded in the real property records of Weld County, Colorado on \_\_\_\_\_, 2002 at Reception Number \_\_\_\_\_.

ATTEST: PATINA OIL & GAS CORPORATION

\_\_\_\_\_  
David J. Kornder  
Secretary

\_\_\_\_\_  
David W. Siple  
Vice President

ATTEST: SOCO WATTENBERG CORPORATION

\_\_\_\_\_  
David J. Kornder  
Secretary

\_\_\_\_\_  
David W. Siple  
Vice President



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

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2002, by David W. Siple as Vice President of SOCO Wattenberg Corporation, a Delaware corporation.

[SEAL]

My commission expires: February 9, 2005

\_\_\_\_\_  
Notary Public