

KNOW ALL MEN BY THESE PRESENTS;

Theodore Ehrlich and Dorothy M. Ehrlich, address 24652 WCR 47 LaSalle, CO 80645 are the owners of the following described lands in Weld County, Colorado, to wit:

Township 5 North, Range 65 West, 6th P.M. Section 36: W1/2

Whereas, Prima Oil and Gas Co., 1801 Broadway, Suite 500, Denver, CO 80202 [with it's agents and assigns, hereinafter called "Company"] proposes to clear 2 wellsites and access roads on and across said land.

NOW THEREFORE, in consideration of the sum of Five thousand dollars [\$5,000.00] and other valuable consideration to the undersigned [hereinafter called the "Owners"] in hand paid, the receipt of which is hereby acknowledged, the Owners do hereby release the Company from any and all claims for damage which have arisen, or may arise from, out of, or in connection with the building of drillsites and the use thereof, the initial completion of wells drilled on the drillsites and the establishment of tank batteries and setting of production equipment and laying of pipelines necessary for the production of the herein described wells and accepts the above payment as full compensation for all such damages subject to the following, to wit:

1. The Ehrlich 36-23 wellsite shall be located in the SW/4 NW/4, the Ehrlich 36-32 wellsite shall be located in the NW/4 SW/4, both in Section 36 of the Township and Range afore mentioned, being according to and within the governing regulations.
2. Any topsoil removed from the area shall be stockpiled and held in reserve until the contour of the site is re-established. The wellsites shall be ripped and returned to the original slope and contour and cleared of drilling mud and oil following completion operations.
3. Access to said wells shall be from road 47 using the existing oilfield access road to a point north of the wellsites, thence south using existing field access roads. All the herein described access being roads approximately twenty feet in width. Company agrees to erect a single wire fence 15 feet off centerline on both sides of the field access road to inhibit vehicular traffic off of the roadway. Said fence will be removed in its entirety after the aforementioned activities have been completed.
4. The separator and non-leaching cement water tank for the Ehrlich 36-23 and Ehrlich 36-32 wells will be located North of the Ehrlich 36-23 wellsite. See map on page 3.
5. Company agrees to fence off the perimeter of the drilling sites with a temporary fence.

6. Company agrees to install 2 concrete swails as needed to maintain present land drainage and irrigation, so long as wells are produced. Owner does hereby give permission to install said swails.

7. Any subsequent operations for said wells, except in case of emergency, require ten days prior notice to landowner and shall require payment of all actual damages caused by said operations to growing crops and damages to real or personal property resulting therefrom.

8. Consideration herein stated shall be for damage to maximum of 2.1 acres per wellsite, being 90,000 square feet plus access roads. Each drillsite shall be 300 feet by 300 feet square. Damages to any acreage in excess of 2.1 acres shall be compensated to Owner for actual loss by Company.

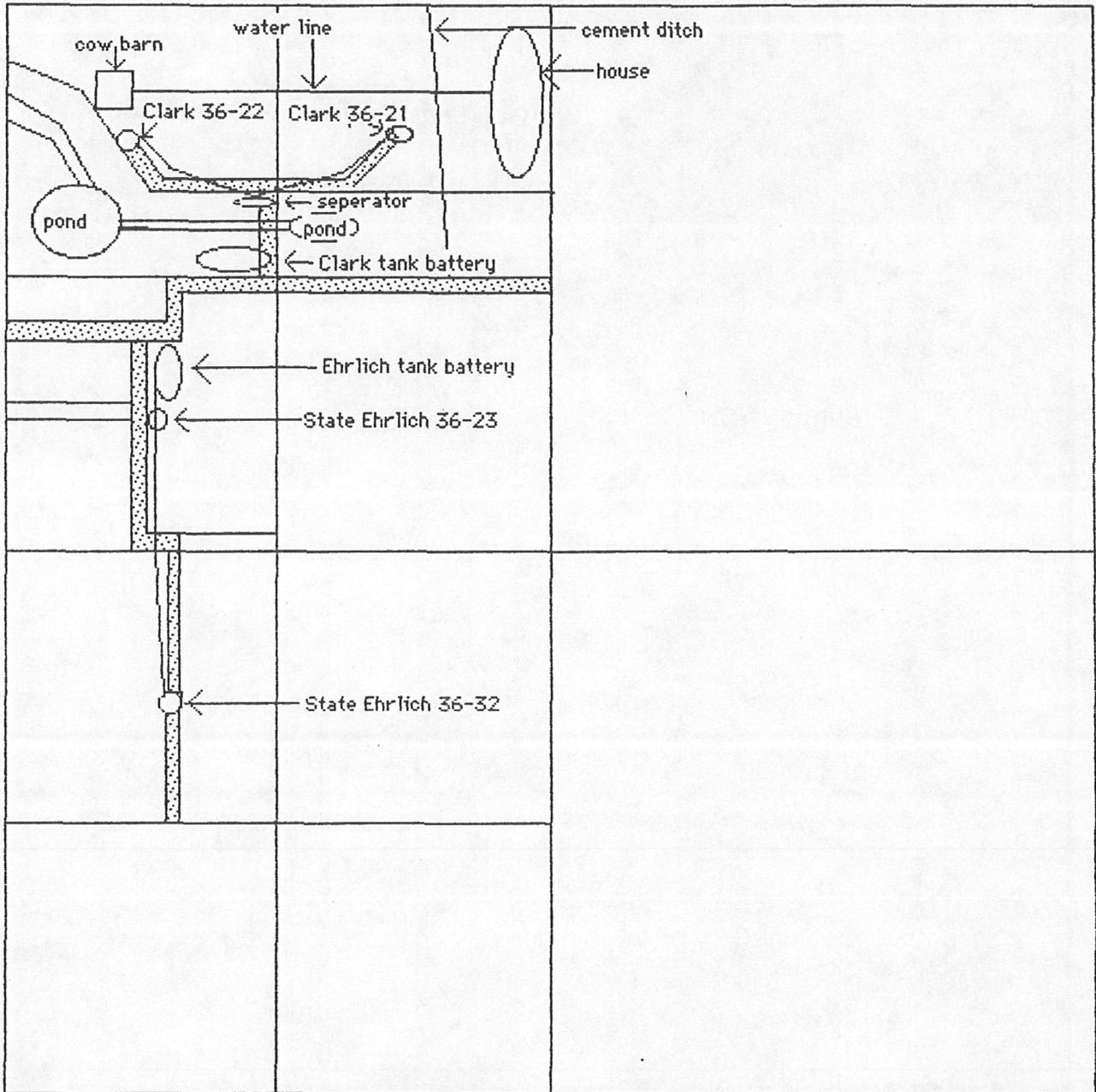
9. If by reason of activities of Company, including but not limited to, drilling, completion, equipping, and operating of the wells upon the premises there is damage to the tangible, real or personal property of the Owner including but not limited to, haystacks, ensilage, irrigation wells, fences, culverts, bridges, pipelines, ditches, or irrigation, stock wells, and drainage systems, the Company shall repair or replace such items after consultation with and to the complete satisfaction of the Owner. Any items damaged after well construction shall be brought to the attention of the Company by the Owner immediately and shall be repaired or replaced after consultation with the Owner within five days of occurrence.

10. All operations shall be conducted in a diligent manner and in accordance with the highest standards of the oil and gas industry in Weld County.

11. Notwithstanding any other provisions hereof, Company agrees that all trash, refuse pipe, equipment, liquids, chemicals, reasonable amounts of drilling mud, or other materials brought onto the property that are not necessary for the continued operation of said wells, shall be removed and disposed of away from the property not later than ten days after completion of said wells. No such items shall be burned or buried on the property.

12. It is agreed that time is of the essence and that failure to perform obligations as provided herein shall entitle the party not in default to bring an action in the District Court of Weld County for damages, for enforcement of the within Agreement, or for injunctive relief.

13. This Agreement shall be binding upon the parties hereto, their heirs, successors and assigns and shall run with the land described hereinabove.



NOT TO SCALE

Dated 10/20/95

Accepted and approved *Stanley M. Ehrlich*



Access Road

14. Owner agrees to contact any and all tenants of the land or other parties connected with the surface activities that may be affected by the drilling and completion of said referenced well, and include said persons if necessary in the damage settlement.

15. This Agreement is entered into in the State of Colorado and shall be governed and interpreted by the laws of such State.

16. Company agrees to hold Owner harmless from any environmental damage done to the property or any claims of liability as a result of the operations of said Company.

17. Company agrees to bury flow lines 42" or deeper.

18. Company agrees to pay Owner the sum of [REDACTED] per year for the right to access the State Clark 36-21, and State Clark 36-22 wells from the existing established roads on Owners property, and for the use of the ground under the tank battery. Owner agrees to this provision as long as the wells are in production.

Effective this 20 day of October, 1995.

Agreed to and accepted this 20 day of October, 1995.

By: [Signature]
Agent for Prima Oil and Gas Company

Theodore Ehrlich
Theodore Ehrlich - Land Owner

S.S. # 522-50-0999

Dorothy M. Ehrlich
Dorothy M Ehrlich - Land Owner

S.S. # 521-36-4055