

*Just*

## Surface and Damage Agreement

(with Receipt and Release)

THIS AGREEMENT made and entered in this 26th day of June, 2007, by and between Booth Land and Livestock Co., owner of the surface of the NW1/4 and SE1/4 of Section 31 Township 4 North, Range 63 West, 6th P.M., in the county of Weld, State of Colorado, hereinafter referred to as "Owner", and Unioil a wholly owned subsidiary of Petroleum Development Corporation, hereinafter referred to as "PDC".

For and in consideration of \_\_\_\_\_ Location in hand paid by PDC by delivery of its check number \_\_\_\_\_, the receipt and sufficiency of which is hereby acknowledged as full payment, settlement, satisfaction and discharge of any and all claims against PDC, its agents, employees and contractors for any and all detriment, injuries and damages of whatsoever nature and character growing out of, incident to, or in connection with the reasonable and customary performance in the drilling and completing of the following "Well" as a well capable of producing oil and/or gas, or plugging and abandoning it as a dry hole, and all related operations in preparing the Well for production or abandonment ("Operations"):

Well Names: Booth 11-31 U NWNW, 21-31 U NENW, 12-31 U SWNW, 22-31 U SENW, Center Spot Booth 31-A U center NW, Center spot Booth 31-D U center SE, Booth 33-31 U NWSE, 34-31 U SWSE, 43-31 U NESE, 44-31 U SESE

Legal Location: Township 4 North, Range 63 West, 6th P.M.  
Sec 31: NW, SE  
Weld County, Colorado

especially including, but not limited to, injury or damage to growing crops as a result of the Operations, access to the Well, and occupancy on the well site.

Owner hereby gives, grants and conveys unto PDC, its agents, employees and contractors, the right to access the subject lands by entering off of Weld County Road 57 as seen on exhibit attached.

Payment hereunder shall not compensate Owner for damages to improvements on Owner's land other than growing crops, including without limitation damages to buildings, fences, gates and livestock, and other extraordinary losses or damages caused by PDC, its agents, employees and consultants to Owner's property, or to the property of Owner's surface lessee, if any. PDC agrees to compensate Owner promptly for such extraordinary losses and damages upon mutually agreeable terms.

Owner shall have the responsibility of notifying any affected tenant, lessee or other party who may own or have an interest in any crops or surface improvements which could be affected by PDC's proposed Operations. Owner agrees that all damages claimed by a surface tenant, lessee or other party having and interest, resulting from PDC's Operations shall be settled by Owner and Owner shall indemnify and hold PDC harmless against any claims resulting therefrom.

PDC agrees to perform all necessary reclamation work so the that land affected by its operations is restored as nearly as practicable to its original contour. *negative State* *SAT*

PDC, its agents, employees and contractors further agree to the following: *MB*

COC00301



3502659 09/07/2007 02:55P Weld County, CO  
1 of 1 R 6.00 D 0.00 Steve Moreno Clerk & Recorder

MEMORANDUM OF  
SURFACE DAMAGE AND RELEASE AGREEMENT

WHEREAS on the 26th day of June, 2007 Booth Land and Livestock Co. hereinafter referred to as "Owner" entered into a Surface Damage and Release Agreement (hereinafter the "Agreement") with Petroleum Development Corporation, whose address is 3801 Carson Avenue, Evans, CO 80620, hereinafter referred to as "Operator," covering and affecting property with the legal description:

Township 4 North, Range 63 West  
Section 31: NW, SE

WHEREAS said Agreement provides for, among other things, the right to enter upon and use the Owners' Property for the purpose of erecting and maintaining well site location[s] and to perform other services as operator and other functions described in the Agreement, and it also sets forth payment of specific amounts to cover damages resulting thereto. The Agreement, with all of its terms, conditions, covenants and other provisions, is referred to and incorporated into this Memorandum for all purposes.

NOW THEREFORE this Memorandum is placed of record for the purpose of giving notice of the Surface Damage and Release Agreement. Any person having the lawful right or legitimate interest therein may examine a copy of the Surface Damage and Release Agreement in Petroleum Development Corporation's office during normal business hours.

IN WITNESS WHEREOF, the parties hereto have executed this instrument this 26<sup>th</sup> day of June, 2007.

Owner:

Booth Land and Livestock Co. by Mark Booth

Operator:

Petroleum Development Corp. by James P Wason Director of Land

STATE OF Colorado )  
COUNTY OF Weld )

This instrument was acknowledged before me this 26<sup>th</sup> day of June, 2007, by

MARK BOOTH

WITNESS MY HAND AND OFFICIAL SEAL.

My commission expires: 10/13/2007

STATE OF Colorado )

COUNTY OF Denver )

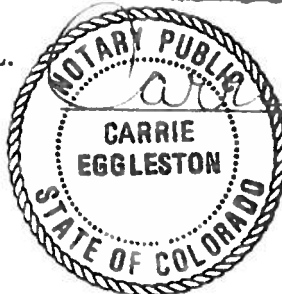
This instrument was acknowledged before me this 31<sup>st</sup> day of August, 2007, by  
James P Wason as of Director of Land.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission Expires

10/12/2010

When Recorded Please Return To:  
Petroleum Development Corporation  
1775 Sherman Street, Suite 3000  
Denver, CO 80203  
Attn: Jenni Muller



Notary Public

- a. to restrict access to the well site, to personnel associated with operations only.
  - b. PDC will erect a temporary fence to keep operations in.
  - c. that all vehicles will operate on lease or drill site roads at all times, strictly.
  - d. to promptly report and repair any damage to irrigation ditches, or other improvements located on the subject or other lands.
  - e. PDC shall be fully responsible for all conduct, actions, omissions and activities of its agents, contractors, drillers, pumpers, and all persons employed thereby who are on the property of the Booth's in order to conduct or perform Operations.
  - f. In addition to the consideration provided herewith, PDC shall pay all damages resulting from negligence or failure to perform in accordance with reasonable industry standards, or in violation of statute or regulations of Colorado Oil & Gas Conservation Commission and shall include, without limitation, damage, death or injury to livestock resulting from Operations including, without limitation, leaving gates open, leaving fences down, livestock access to open pits, separators, hydrocarbon spills, collisions with vehicles and ingestion of hydrocarbon materials produced from Operations.
  - g. PDC shall maintain a comprehensive general liability policy insuring itself against all claims arising from Operations. PDC shall indemnify and hold the Booth's harmless from and against any claims by third persons (including corporations, partnerships, limited liability companies or other entities) for damage to property or injury or death to persons occasioned by Operations.
  - h. Should an oil and/or gas well be completed, PDC shall pay any and all damages resulting from future recompleting, deepening, reworking, replacing and/or plugging the well. It is the intention of this paragraph to require PDC to pay for all future damages resulting from future soil disturbance(s).
  - i. This ground is irrigated by an irrigation Circle so it is critical that the instructions on the enclosed exhibit A. be followed.
  - k. PDC shall operate under the COGCC Rules and regulations.
2. The Payment is good only for the wells drilled within a year from July 2007. CAT  
MB

Concerning any matter relating to PDC's proposed Operations, Owner may contact:

Operator:	Petroleum Development Corporation
Person to Contact:	Carrie Eggleston
Address:	3801 Carson St
	Evans, Co. 80620
Phone Number:	970 506-9272
Fax:	970 506 9276
Cellular:	

Commencement of PDC's Operations with heavy equipment is estimated to begin in July 2007. Owner acknowledges that it has been given notice by PDC of its proposed Operations at

lease thirty (30) days [or if the well is to be drilled on irrigated crop lands between March 1 and October 31 at least fourteen (14) days] prior to PDC's estimated commencement date or hereby waives such thirty (30) day, or fourteen (14) day requirement. A brochure has been provided from the Colorado Oil and Gas Conservation Commission, 1120 Lincoln Street, Suite 801, Denver, Colorado, 80203, which described the rights and responsibilities of Owner as the surface owner and operator.

Owner acknowledges that it has consulted with PDC as to the location of roads and the necessary production facilities and the location and size of the well site for the above described well, or hereby waives such consultation requirements. Owner also acknowledges that Owner had an opportunity to comment to PDC regarding preferences for the timing of the Operations and preferred locations for the Well and associated facilities. Owner has requested that all consultations be conducted directly with Owner.

In consideration of the mutual benefits derived hereunder, Owner hereby remises, releases, acquits and forever discharges PDC, its agents, employees, and consultants from any and every action, cause of action, suit claim, and demand against PDC, its agents, employees, consultants arising out of, incident to, or in connection with PDC's Operations, access to the Well, and occupancy thereon.

This agreement shall extend to and bind Owner, PDC, and their respective heirs, personal representatives, successors and assigns.

IN WITNESS WHEREOF, the parties have executed this Agreement on the same date as shown above.

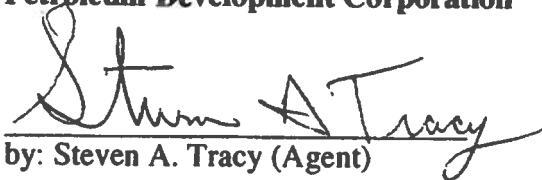
OWNER:



Booth Land and Livestock Co.  
c/o Mark Booth  
P.O. Box 72  
Lucerne, Co. 80646

Tax ID #:

Petroleum Development Corporation



by: Steven A. Tracy (Agent)