

**EASEMENT, RIGHT-OF-WAY
and
SURFACE USE AGREEMENT**

This Easement, Right-of-Way and Surface Use Agreement ("Agreement") is entered into as of August 4th 2010, by and between **Melbon Ranch Inc.**, whose address is 3173 52nd Avenue, Greeley, CO 80634 and Kerr-McGee Oil & Gas Onshore LP, ("KMG"), with offices at 1099 18th St., Suite 1800, Denver, CO 80202 covering certain lands, (the "Lands") situated in Weld County, Colorado described as follows:

LAND DESCRIPTION

Township 2 North Range 65 West, of the 6th P.M.
Section 17: NW 1/4

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

KMG 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 KMG, dated August 4th 2010, 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 KMG 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 KMG 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

Kerr-McGee Oil & Gas Onshore LP,

By: William D. Sarchet
William D. Sarchet
President

By: Jane Ann Byroad
Jane Ann Byroad
Agent & Attorney-in-Fact

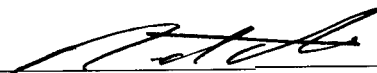
SURFACE OWNER

By: Fred W. Sarchet
Fred W. Sarchet
Registered Agent

STATE OF COLORADO)
)ss
COUNTY OF WELD)

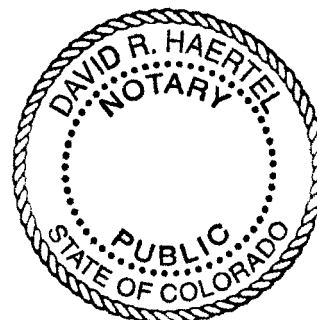
The foregoing instrument was acknowledged before me this 4 day of Aug., 2010, by William Sarchet.

Witness my hand and official seal.


Notary Public

My commission expires _____

TEXAS
STATE OF COLORADO)
CITY AND Montgomery)ss
COUNTY OF DEWATER)



My Commission Expires 02/26/2012

This instrument was acknowledged before me this 3 day of September, 2010, by Jane Ann Byroad, Agent & Attorney-in-Fact of Kerr-McGee Oil & Gas Onshore LP, on behalf of said company.

Witness my hand and official seal.


Notary Public

My commission expires 11/6/2012

