



**MEMORANDUM OF  
SURFACE DAMAGE AND RELEASE AGREEMENT**

WHEREAS on the 25<sup>th</sup> day of January, 2013, Betty J. Pappenheim and Ronald L. Pappenheim, whose address is 20112 Weld County Road 76, Eaton, Colorado 80615 ("Owner") entered into a Surface Damage and Release Agreement ("Agreement") with **Bill Barrett Corporation**, 1099 18<sup>th</sup> Street, Suite 2300, Denver, CO 80202 ("Operator"), covering the below described lands in Weld County, Colorado.

Township 6 North, Range 62 West, 6<sup>th</sup> P.M.

Section 27: A tract of land described on the attached Exhibit "A"

Section 23: A tract of land described on the attached Exhibit "A"

**WHEREAS**, said Agreement provides for, among other things, the right to enter upon and use the Owner's property for the purpose of erecting, maintaining, and reclaiming well site location(s) for one (1) or more wells on Owner's land. Said Agreement sets forth payment and specific amounts to cover damages resulting from the construction, use and maintenance of the well site location(s). Said Agreement, with all of its terms, conditions, covenants and other provisions, is referred to and incorporated into this Memorandum for all purposes.

**WHEREAS**, said Agreement also provides that Owner expressly acknowledges that this Agreement satisfies BBC's obligation under COGCC rules to consult in good faith with the surface owner regarding the proposed oil and gas operations and that this Agreement shall be deemed to be specifically applicable to, and to fully satisfy, the obligation of BBC to accommodate Owner's use of the surface of the described lands, existing or future, and waives any statutory or common law claims to the contrary.

**WHEREAS**, said Agreement further provides for the waiver by Owner of all notices as required by the COGCC for issuing APDs and as may be required under provisions of COGCC Rule 305. Said Agreement further provides that the provisions of Rule 306.a. "Consultation with surface owner" have been met or waived. Said Agreement further provides for 1) the waiver by Owner of any COGCC setbacks inconsistent with this Agreement, including, but not limited to, setbacks for high density areas and surface lot lines; 2) the waiver by Owner of the limitation of one surface pad on any one governmental quarter-quarter section; and 3) the waiver by Owner of its right to appeal COGCC APDs or conditions of approval for such permits.

**NOW THEREFORE**, this Memorandum of Surface Use and Release Agreement is executed for the purpose of recordation in the office of the County Clerk of Weld County in order to give notice of the Agreement. It is not intended by this Memorandum to construe, define, limit or modify said Agreement, but to merely disclose to the public that said Agreement does exist.

**OWNER(s)**

Betty J. Pappenheim

Ronald L. Pappenheim

**BILL BARRETT CORPORATION**

By:

Name: Huntington T. Walker

Title: Senior Vice President - Land

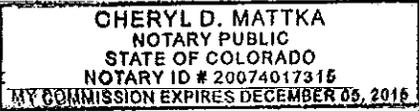
ACKNOWLEDGEMENTS

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

On this 21<sup>st</sup> day of February 20 13, before me personally appeared Huntington T. Walker, known to me to be the Senior Vice President – Land of BILL BARRETT CORPORATION and that he executed the within and foregoing instrument and acknowledged said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

My Commission Expires:



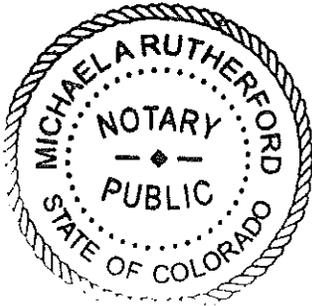
Notary Public: *Cheryl D Matka*  
Address: *Denver CO*

STATE OF COLORADO )  
 ) ss.  
COUNTY OF WELD )

On this 8 day of FEBRUARY, 2013, before me, the undersigned Notary Public, personally appeared Betty J. Pappenheim and Ronald L. Pappenheim, known to me, and who executed the above and foregoing Surface Damage Agreement as Owner, and acknowledged that they executed such as their free and voluntary act and deed, for the uses and purposes therein set forth.

My Commission Expires: 7-7-2010

Notary Public: *MICHAEL A RUTHERFORD*  
Address: *Michael A. Rutherford*  
*LAFAYETTE, COLORADO 80020*



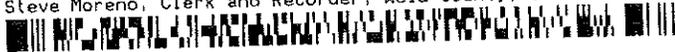


EXHIBIT "A"

Parcel 1:

A TRACT OF LAND LOCATED IN SECTION 27, T6N, R62W OF THE 6TH P.M., COUNTY OF WELD, STATE OF COLORADO. DESCRIBED AS FOLLOWS:  
BASIS OF BEARINGS: THE WEST LINE OF SECTION 27 ASSUMED TO BEAR S01°36'31"W COMMENCING AT THE NW CORNER OF SAID SECTION 27 THENCE S01°36'31"W, 4765.77 FEET ALONG THE WEST LINE OF SAID SECTION 27 TO A BARBED WIRE FENCE;  
THENCE ALONG SAID FENCE THE FOLLOWING THIRTEEN (13) COURSES:  
1) S88°23'29"E, 34.05 FEET; 2) N86°46'49"E, 1534.52 FEET; 3) S70°18'25"E, 160.97 FEET; 4) N89°44'11"E, 1707.60 FEET; 5) N57°03'29"E, 995.20 FEET; 6) N35°57'57"E, 17.57 FEET; 7) N04°16'01"W, 1843.06 FEET; 8) N04°13'27"W, 1021.54 FEET; 9) N10°59'45"E, 14.35 FEET; 10) N34°15'14"E, 455.32 FEET; 11) N13°25'00"E, 690.52 FEET; 12) N59°23'54"E, 12.59 FEET; 13) N00°03'04"W, 246.24 FEET TO THE NORTH LINE OF THE NE1/4 OF SAID SECTION 27;  
THENCE S89°56'09"W, 1640.57 FEET ALONG THE NORTH LINE OF THE NE1/4 OF SAID SECTION 27 TO THE N1/4 CORNER OF SECTION 27;  
THENCE S89°59'50"W, 2713.89 FEET ALONG THE NORTH LINE OF THE NW1/4 OF SECTION 27 TO THE TRUE POINT OF BEGINNING.

Parcel 2:

A TRACT OF LAND LOCATED IN SECTION 23, T6N, R62W OF THE 6TH P.M., COUNTY OF WELD, STATE OF COLORADO, DESCRIBED AS FOLLOWS:  
BASIS OF BEARINGS: THE NORTH LINE OF THE NW1/4 OF SECTION 23 ASSUMED TO BEAR N89°58'04"E COMMENCING AT THE NW CORNER OF SAID SECTION 23 THENCE S00°56'34"W, 1319.94 FEET ALONG THE WEST LINE OF THE NW1/4 OF THE NW1/4 OF SAID SECTION 23; THENCE S01°01'24"W, 1318.84 FEET ALONG THE WEST LINE OF THE SW1/4 OF THE NW1/4 OF SAID SECTION 23 TO THE W1/4 CORNER OF SECTION 23; THENCE S00°59'30"W, 2638.20 FEET ALONG THE WEST LINE OF THE SW1/4 OF SAID SECTION 23 TO THE SW CORNER OF SECTION 23; THENCE S89°38'30"E, 2705.95 FEET ALONG THE SOUTH LINE OF SECTION 27 TO THE CENTER OF A 12' WIDE DIRT ROAD;  
THENCE ALONG THE CENTERLINE OF SAID DIRT ROAD THE FOLLOWING FIFTEEN (15) COURSES:  
1) N20°43'15"E, 541.93 FEET; 2) N20°25'51"E, 240.88 FEET; 3) N21°37'33"E, 307.00 FEET; 4) N15°39'43"E, 116.80 FEET; 5) N09°38'08"E, 115.15 FEET; 6) N03°09'26"E, 623.43 FEET; 7) N02°05'26"E, 403.89 FEET; 8) N02°30'44"E, 398.03 FEET; 9) N02°17'16"E, 770.50 FEET; 10) N02°09'36"E, 1085.15 FEET; 11) N03°54'20"E, 174.64 FEET; 12) N00°28'28"E, 158.29 FEET; 13) N02°04'25"E, 208.28 FEET; 14) N09°09'23"W, 155.05 FEET; 15) N00°01'51"W, 79.14 FEET TO THE NORTH LINE OF THE NE1/4 OF SAID SECTION 23;  
THENCE S89°58'09"W, 617.56 FEET ALONG THE NORTH LINE OF THE NE1/4 OF SAID SECTION 23 TO THE N1/4 CORNER OF SAID SECTION 23; THENCE S89°58'04"W, 2571.38 FEET ALONG THE NORTH LINE OF THE NW1/4 OF SAID SECTION 23 TO THE TRUE POINT OF BEGINNING.