

AMENDMENT TO SURFACE USE AGREEMENT

THIS AMENDMENT TO SURFACE USE AGREEMENT (“Amendment”) is effective this 30th day of December, 2013, by and among KERR-McGEE OIL & GAS ONSHORE LP (“Kerr-McGee”) and KERR-McGEE GATHERING LLC (“KMGG”), both with an address of 1099 18th Street, Suite 1800, Denver, Colorado 80202 and THE REYNOLDS CATTLE CO. (“Reynolds Cattle”) and REYNOLDS FAMILY LLC (“Reynolds Family”) (together the “Surface Owners”), both with an address of Post Office Box 675, Longmont, Colorado 80501. Kerr-McGee and Surface Owners are sometimes referred to hereinafter as a “Party” or the “Parties.”

A. Surface Owners own the surface estate for property located in Weld County, Colorado, described as the NE/4 of Section 23 and the N/2 of Section 24, Township 3 North, Range 68 West, which is hereinafter referred to altogether as the “Property” and separately as the “Section 23 Property” and the “Section 24 Property,” with Reynolds Family owning the NW/4 of Section 24 and Reynolds Cattle owning the NE/4 of Section 24 and the NE/4 of Section 23.

B. Kerr-McGee and the Margaret L. Reynolds Trust, The George S. Reynolds Marital Trust and The Reynolds Cattle Co. entered into that certain surface use agreement dated July 21, 2006 and recorded September 27, 2006 at Reception No. 3422709 in the Office of the Clerk and Recorder for Weld County (“Agreement”) which included both the Section 23 Property and the Section 24 Property.

C. Reynolds Family has succeeded to the interests of the Margaret L. Reynolds Trust and The George S. Reynolds Marital Trust for the portion of the Section 24 Property in the NW/4.

D. Kerr-McGee owns oil and gas leasehold rights in the Property and currently operates seven wells on the Section 23 Property and 17 wells on the Section 24 Property and has rights to drill additional wells on the Property pursuant to its oil and gas leasehold rights and the terms of the Agreement.

E. KMGG signs this Agreement only in its capacity as the entity which gathers and transports or may gather and transport oil, gas, petroleum products, water, hydrocarbons and any other substances and any products, derivatives, combinations or mixtures of any of the forgoing (altogether the “Products”) produced or transported on the Property and other lands.

F. The Agreement identified specific locations for existing and future oil and gas wells and production facilities on the Property identified and referred to in the Agreement as the “Oil and Gas Operations Areas.”

G. The purposes of this Amendment are to: i) designate additional Oil and Gas Operations Areas on the Section 23 Property and expand existing tank battery locations on both the Section 23 Property and in the NW/4 of Section 24 on the Section

24 Property; ii) identify additional pipeline easements and access roads as further described herein; iii) provide for the payment by Kerr-McGee of certain surface damage payments; and iii) include KMGG as a party to the Agreement for the limited purposes described herein.

NOW THEREFORE, in consideration of the covenants and mutual promises set forth in this Amendment and the Agreement, including in the recitals, the Parties hereto agree as follows:

1. Term Used within the Agreement. A term used in this Amendment shall have the same meaning as the term is used in the Agreement unless noted otherwise.

2. Additional Oil and Gas Operations Areas for the Section 23 Property.

a. Horizontal Well Locations. Kerr-McGee and Surface Owners agree that, in addition to the two Oil and Gas Operations Areas reserved in the Agreement on the Section 23 Property generally in the center of the NE/4 and northwest of the center of the NE/4NE/4 as depicted on Exhibit A-1 to the Agreement, Kerr-McGee shall also have the right to drill oil and gas wells and locate production facilities within the two Oil and Gas Operations Areas on the Section 23 Property depicted on the attached Exhibit 1 as the "Horizontal Well Locations," both of which are generally to the east of the section line between the NW/4 of Section 24 and the NE/4 of Section 23, one such Horizontal Well Location being in the NE/4NE/4 of Section 23 and the other being in the SE/4NE/4 of Section 23 at the locations depicted on Exhibit 1.

b. Components of the Horizontal Well Locations. Each Horizontal Well Location include a "Permanent Operations Area" and an "Ancillary Operations Area," as depicted on Exhibit 1, such areas being utilized for oil and gas operations and for the locations of wells and associated drilling and production equipment as provided herein.

The Horizontal Well Location in the NE/4NE/4 of Section 23 shall be a total of ten (10) acres with the Permanent Operations Area being 4.26 acres and the Ancillary Operations Area being 5.74 acres.

The Horizontal Well Location in the SE/4NE/4 of Section 23 shall be a total of ten (10) acres with the Permanent Operations Area being 3.71 acres and the Ancillary Operations Area being 6.29 acres.

i) Permanent Operations Areas. The Permanent Operations Area shall be the location for all future wells to be drilled within a Horizontal Well Location and may also be used for the location of tanks, separators, dehydrators, compressors and all other associated oil and gas drilling and production equipment and facilities, electrical lines, flowlines and portions of pipeline easements and for all related oil and gas operations. The Permanent Operations Areas are for the exclusive use of Kerr-McGee for its oil and gas operations and the location of wells and facilities.

ii) Ancillary Operations Areas.

The Ancillary Operations Area shall be the location for operations related to the preparation, drilling and completion of horizontal wells to be drilled at locations within a Horizontal Well Location and for the temporary location of production facilities for horizontal wells. Except for portions of electrical lines, flowlines and pipeline easements, Kerr-McGee may not locate wells or permanent production facilities within the Ancillary Operations Areas without the permission and consent of Reynolds Cattle, but may use the Ancillary Operations Areas only for temporary uses related to the drilling and completion of horizontal wells and the temporary location of production facilities.

Surface Owners may use the Ancillary Operations Areas for grazing, agricultural and recreational uses during those times that the area is not being used by Kerr-McGee for its oil and gas operations and the location of facilities; provided, however, Kerr-McGee shall in all events and at all times have priority in the use of the Ancillary Operations Areas.

c. Production Facility Locations.

- i) Kerr-McGee shall have the right to locate build, repair and maintain tanks, separators, dehydrators, compressors, electrical lines, flowlines, pipelines and all other associated drilling and production equipment within all Oil and Gas Operations Areas, including the Horizontal Well Locations, and also within the two "Production Facility Locations" identified and depicted on Exhibit 1 and hereinafter referred to as such, one generally located in the middle of the N/2NE/4 on the Section 23 Property and other generally located in the middle of the N/2NW/4 on the Section 24 Property, all of such facilities to service only wells drilled within the Oil and Gas Operations Areas, including the Horizontal Well Locations. Surface Owners further agree that production from any well drilled within an Oil and Gas Operations Area, including a Horizontal Well Location, may be stored in production facilities located within the Production Facility Locations.
- ii) The Production Facility Location on the Section 23 Property is an expansion of the existing tank battery location depicted on Exhibit A-2 to the Agreement. With respect to the Reynolds Tank Battery 1 only, the attached Exhibit 1 replaces Exhibit A-2 to the Agreement.
- iii) The Production Facility Location in the NW/4NW/4 of the Section 24 Property is an expansion of the existing tank battery location depicted on Exhibit A-3 to the Agreement. The Attached Exhibit 1 replaces Exhibit A-3 to the Agreement.

- iv) The Production Facility Locations shall be in the sizes and configurations depicted on Exhibit 1.

d. Grant of Surface Easement. Surface Owners agree that Kerr-McGee may locate oil and/or gas wells (whether drilled vertically, directionally or horizontally) within the Horizontal Well Locations that are drilled to locations on the Section 23 Property or to lands other than the Section 23 Property, whether or not such other lands are pooled with the Section 23 Property and that Kerr-McGee may locate production facilities associated with such wells within the Horizontal Well Locations and Production Facility Locations. Surface Owners hereby grant, bargain, assign and convey unto Kerr-McGee an easement and right-of-way for purposes of constructing, using and maintaining the Horizontal Well Locations and Production Facility Locations and also the Flowline Corridors and Pipeline Easements (both as described herein) and access roads, and for the locations for wells, surface equipment and subsurface gathering lines, flowlines, water lines and electric lines and electric poles and temporary above ground water lines.

e. Grant of Subsurface Easement. Reynolds Cattle grants and conveys to Kerr-McGee a subsurface easement on and through the Section 23 Property for the purpose of allowing Kerr-McGee to drill oil and gas wells within the Horizontal Well Locations using horizontal or directional drilling technology to bottom hole and/or lateral locations located on the Section 23 Property and also on property other than the Section 23 Property.

f. Surface Owner further agrees that production from any well drilled within a Horizontal Well Location may be stored in production facilities located within the Horizontal Well Locations and the Production Facility Locations. The rights granted hereby include the construction, operation, maintenance, repair and replacement of oil and gas production facilities within the Horizontal Well Locations and Production Facility Locations.

g. Except as provided in subparagraph 2.b ii), the Oil and Gas Operations Areas, including the Horizontal Well Locations, shall be made available to Kerr-McGee for its exclusive use in their present condition for oil and gas operations to be conducted by Kerr-McGee, including, but are not limited to, drilling and production activities, workovers, well deepenings, recompletions, fracturing, re-fracturing, twinning, and the drilling of replacement wells and the location of flowlines, underground electrical lines, water and oil lines, transformers, electrical cabinets, electrical poles, portions of pipelines, and associated oil and gas production and drilling equipment and facilities.

h. Kerr-McGee shall continue to have the right to drill one or more wells with attendant facilities within the Oil and Gas Operations Areas reserved in the Agreement and herein, and to deepen, recomplete or twin any well that is drilled or has been drilled, including vertical, directional and horizontal wells that produce from and drain the Property and lands other than the Property.

i. Except as may be otherwise specifically provided herein, Surface Owners shall not plat any surface property lines or install or construct fences, roadways, trees,

bushes or any other permanent or temporary improvements within the Oil and Gas Operations Areas, including the Horizontal Well Locations, the Production Facility Locations or upon the pipeline or electrical easements or the Flowline Corridors provided for herein, and no temporary or permanent building or other structure or improvement shall be located by Surface Owners within the Oil and Gas Operations Areas, Production Facility Locations, Flowline Corridors or pipeline and electrical easement areas.

j. The fourth and fifth sentences of paragraph 2 of the Agreement shall not apply to the Horizontal Well Locations.

k. Except for the Oil and Gas Operations Areas described in the Agreement and the additional Oil and Gas Operations Areas for the Section 23 Property set forth in this Amendment, including the access roads and easements associated with flowlines, gathering lines, electric lines and pipelines and the Flowline Corridor provided for in the Agreement and this Amendment, Kerr-McGee shall not occupy the surface of the Property, except in the event of an emergency or for reasonable, incidental, temporary and non-damaging activities, for which Kerr-McGee shall be strictly and solely responsible for any damages that may occur.

3. Surface Damage Payments.

In consideration of the agreements included in this Amendment, Kerr-McGee agrees to pay Surface Owners, jointly, those certain surface damage payments described in the letter agreement dated the same date as this Agreement ("Letter Agreement"), as one-time surface damage payments to be paid prior to the commencement of the drilling of a well within a Horizontal Well Location, which payments shall be made for the purposes described in the Letter Agreement and at the times described therein.

Except for wells drilled within the Horizontal Well Locations, paragraph 4 of the Agreement regarding the waiver by Surface Owners of certain surface damage payments for wells drilled within Oil and Gas Operations Areas shall continue to apply to future wells and oil and gas operations and facilities on the Property.

4. Amendment to Paragraph 5. The last sentence of paragraph 5 is deleted, and the following inserted in its place:

Surface Owners agree not to object to the use of the surface of the Oil and Gas Operations Areas (including the Horizontal Well Locations) and Production Facility Locations, so long as such use is consistent with the Agreement, as amended, and Surface Owners will provide Kerr-McGee or its successors and assigns with whatever written support they may reasonably require to obtain permits from the COGCC or any local jurisdiction.

5. Amendments and Additions to Paragraph 6. Additions to paragraph 6 of the Agreement are as follows:

- a. Pipeline easements that service the Horizontal Well Locations and that are located outside the Horizontal Well Locations and Production Facility Locations shall be at the locations depicted on Exhibit 1 and referred to herein as the “Pipeline Easements.”
 - b. Surface Owner shall grant the Pipeline Easements (for production from the Property and/or other lands) to Kerr-McGee or KMGG, at the request of Kerr-McGee, at the time Kerr-McGee requests them and at no cost to Kerr-McGee or KMGG in the form attached as Exhibit 2. Pipeline Easements shall be seventy-five feet (75’) in width during construction and reduced to fifty feet (50’) in width for post construction usage.
 - c. The reference in the third paragraph of paragraph 6 to Revision 4/11/2006 of the KMG pipeline guidelines shall instead be a reference to Revision 1/2011, a copy of which is attached as Exhibit 3. The attached Exhibit 3 replaces Exhibit C to the Agreement.
 - d. Flowlines, electric and water lines that are located outside the Horizontal Well Locations and Production Facility Locations that service the Horizontal Well Locations shall be located within the electrical easements and Flowline Corridors depicted as such on Exhibit 1, The Flowline Corridor for the Horizontal Well Location in the NE/4NE/4 shall be approximately forty (40) feet in width and the one for the Horizontal Well Location in the SE/4NE/4 shall be approximately thirty (30) feet in width.
 - e. The second to the last paragraph of paragraph 6 is deleted and the following inserted in its place:

If Surface Owners’ development plans anticipate that roads will or may in the future cross over existing pipelines, Surface Owners will pothole or request that Kerr-McGee or KMGG, as applicable, pothole the pipelines to check the depth of such pipelines. Prior to Surface Owners’ installation of a new road, Kerr-McGee or KMGG will lower, as required, the affected pipelines to sufficient depth for the road elevations. Surface Owners agree to pay Kerr-McGee or KMGG, as applicable, the reasonable cost of inspecting and lowering the pipelines, as well as the reasonable cost of any sub-grade work required to achieve the road construction specifications.
 - f. Pipeline Easements, Flowline Corridors, electrical easements, Horizontal Well Locations and Production Facility Locations shall be depicted and labeled on all subdivision plats and other applications for development that Surface Owners submit to Weld County or other local jurisdiction.
6. Amendments and Additions to Paragraph 7. Paragraph 7 of the Agreement is amended and an addition made to the paragraph as follows:

- a. Access roads that service the Horizontal Well Locations and Production Facility Locations shall be at the locations depicted on Exhibit 1.
- b. The Parties understand and acknowledge that the access road depicted on Exhibit 1 that abuts the half section line between the NE/4 and the SE/4 of Section 23 (“Proposed Access”) is thirty (30) feet wide and that fifteen (15) feet of the Proposed Access is located on property owned by Reynolds Cattle in the NE/4 of Section 23 and the other fifteen (15) feet is located on lands adjacent to lands owned by Reynolds Cattle in the SE/4 of Section 23 (“SE/4 Section 23 Property.”). Kerr-McGee has entered into a separate agreement with the owner of the SE/4 Section 23 Property in which the adjacent surface owner has agreed to allow Kerr-McGee to use the south fifteen (15) foot strip of the Proposed Access. Reynolds Cattle hereby grants, bargains, assigns and conveys unto Kerr-McGee an easement and right-of-way for the Proposed Access in the NE/4 of Section 23 as depicted on Exhibit 1 for the purpose of constructing, using and maintaining an access road and underground electrical easement, such easement and right-of-way grant to be used for oil and gas operations for wells and facilities located on both the Property and on adjacent property in the SE/4 of Section 23.

7. Amendment to Paragraph 8. The first sentence of paragraph 8 of the Agreement is deleted and the following inserted in its place:

Kerr-McGee shall have the right to locate, build, repair and maintain tanks, separators, dehydrators and other equipment reasonably appropriate for the operation and production of the Existing Wells and Future Wells only with the Oil and Gas Operations Areas, including the Horizontal Well Locations, and the Production Facility Locations depicted on Exhibit 1.

8. Replacement of Paragraph 12. Paragraph 12 of the Agreement is deleted and the following inserted in its place:

a. Surface Owners Will Not Object. Surface Owners agree: i) they will not object in any forum to the use by Kerr-McGee of the surface of the Property consistent with this Agreement and hereby waive any such right to object; ii) they will provide such other written approvals and waivers that are requested by Kerr-McGee and consistent with the Agreement, as amended, including but not limited to, all approvals and waivers to drill a well or to conduct oil and gas operations on the Property because of any law or regulation, including any local ordinance and regulations of the COGCC; iii) they waive any rights they have to require or request a surface inspection for wells proposed to be drilled on the Property for the purpose of requesting that conditions be attached to a permit to drill the well and waive their rights to request such conditions; iv) they consent to the location of multiple wells within an Oil and Gas Operations Area or within a Permanent Operations Area within a Horizontal Well Location, as the case may be, that are greater or less than fifty (50) feet apart so long as all such wells are located within an Oil and Gas Operations Area or a Permanent Operations Area, as applicable;

and v) they waive their rights to object, request a hearing before the COGCC or that conditions be attached to a COGCC permit to drill and to allege noncompliance with COGCC rules or applicable statutes, or to allege potential adverse impacts to public health, safety and welfare, including the environment and wildlife resources, that are within the jurisdiction of the COGCC with respect to COGCC Applications for Permit to Drill ("Form 2") and COGCC Oil and Gas Location Assessments ("Form 2A").

b. Kerr-McGee Will Not Object. Kerr-McGee agrees that it will not object in any forum to a request by Surface Owners to annex, zone, rezone, plat or replat all or any portion of the Property to extent such request is consistent with the Agreement, as amended, and the attached Exhibits.

9. Compliance with Common Law and Statutory and Regulatory Requirements. Surface Owners expressly acknowledge that the Agreement as amended by this Amendment ("Amended Agreement") satisfies the obligations and requirements of Kerr-McGee pursuant to COGCC rules and regulations and Colorado statutes to consult in good faith with Surface Owners regarding existing and proposed oil and gas operations on the Property, including COGCC Rules 305 and 306, as amended. Surface Owners further expressly acknowledge that the Amended Agreement shall be deemed to be specifically applicable to, and to fully satisfy, the obligations of Kerr-McGee to accommodate the use of the surface of the Property by Surface Owners, existing and future, and Surface Owners waive any statutory and common law claims to the contrary, including, but not limited to, any claims pursuant to C.R.S. 34-60-127.

10. Authority to Execute this Agreement. Each Party represents that it has the full right and authority to enter into this Agreement with respect to the surface rights or oil and gas leasehold interests it owns in the Property, as applicable. Surface Owners represent and warrant that together they are the sole owners of the surface estate for the Property and that no other person or entity owns an interest in the surface estate for the Property.

11. Notices. Any notice or communication required or permitted by this Amendment shall be given in writing either by: i) personal delivery; ii) expedited delivery service with proof of delivery; iii) United States mail, postage prepaid, and registered or certified mail with return receipt requested; or iv) prepaid telecopy or fax, the receipt of which shall be acknowledged, addressed as follows:

Kerr-McGee and KMGG:	Kerr-McGee Oil & Gas Onshore LP 1099 18 th Street, Suite 1800 Denver, Colorado 80202
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Surface Owners: The Reynolds Cattle Co.
Reynolds Family LLC
Post Office Box 675
Longmont, Colorado 80501

Any Party may, by written notice as provided in this paragraph, change the address of the individual to whom delivery of notices shall be made thereafter.

12. Incorporation of Exhibits. Exhibits 1, 2, and 3 are incorporated into this Agreement by this reference. Exhibit 1 replaces Exhibits A-2 and A-3 to the Agreement. Exhibit 1-A to the Agreement depicts the Oil and Gas Operations Areas reserved therein in addition to the Horizontal Well Locations described herein.

13. The Agreement Continues in Effect/Conflicts. Except as specifically amended by this Amendment and except to the extent necessary to conform to and incorporate the attached Exhibits 1 through 3 and the terms in this Amendment, the terms and conditions included in the Agreement shall continue in full force and effect and apply to the Property. In the event of a conflict between this Amendment and the Agreement as to a matter specifically covered herein, this Amendment shall control.

14. Entire Agreement. This Amendment, the Agreement and the Letter Agreement set forth the entire understanding among the Parties hereto regarding the matters addressed herein, and supersede any previous communications, representations or agreement, whether oral or written. The Amended Agreement shall not be amended further, except by written instrument signed by the Parties.



15. Binding on Successors and Assigns/Covenant that Runs with the Land. This Amendment and the Agreement are binding upon the Parties and their successors and assigns and inure to their benefit. This Amendment and the Agreement shall be covenants that run with the land.

16. Counterpart Execution. This Amendment may be executed in counterparts, each of which shall be deemed an original, and together shall constitute one and the same instrument.

17. Recording. This Amendment shall be recorded with the Clerk and Recorder of Weld County.

IN WITNESS WHEREOF, the Parties have caused this Amendment to be executed by duly authorized representatives on the dates set forth in the acknowledgments, to be effective on the date first above written.

KERR-McGEE OIL & GAS ONSHORE LP

By: 
Its: AGENT & ATTORNEY-IN-FACT
Name: DAVID BELL 

THE REYNOLDS CATTLE CO.

REYNOLDS FAMILY LLC

By: _____
Its: _____
Name: _____

By: _____
Its: _____
Name: _____

KMGG signs this Agreement in its capacity as the entity which does and may in the future gather and transport gas and other Products from wells drilled on the Property and other lands and in no other capacity. KMGG is not otherwise bound by the obligations in this Amendment or the Agreement, but, as to the Property, shall have the right to enforce the obligations in paragraph 6 of the Agreement and in paragraph 5 of this Amendment. KMGG makes no representations regarding the locations of pipelines or pipeline easements on the Property or with respect to the accuracy or completeness of the locations depicted on Exhibit 1. Notwithstanding any provision in this Amendment or in the Agreement or the depictions of facilities on any site plan attached to this Amendment or the Agreement, nothing in the Amended Agreement affects the easements that KMGG currently has in place on the Property or constitutes a release by KMGG of any rights it currently owns on the Property.

KERR-McGEE GATHERING LLC

By: [Signature]
Name: RONALD H. OLSEN
Its: AGENT & ATTORNEY-IN-FACT

ACKNOWLEDGMENTS

STATE OF COLORADO)
) ss.
City and County of Denver)

The foregoing instrument was acknowledged before me this 8 day of Jan, 2013 by David Bell, as Agent and Attorney-In-Fact for KERR-McGEE OIL & GAS ONSHORE LP.

My Commission expires: May, 4, 2016 :

Witness my hand and official seal.

[Signature]

Notary Public



STATE OF COLORADO)
) ss.
City and County of Denver)

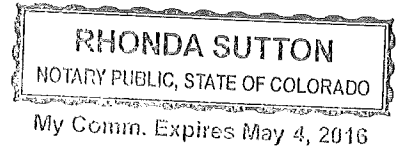
The foregoing instrument was acknowledged before me this 7 day of
Jan, 2013 by Ronald Olson, as
Agent and Attorney-In-Fact for KERR-McGEE GATHERING LLC.

My Commission expires: May 4, 2016 :

Witness my hand and official seal.

Rhonda Sutton

Notary Public



STATE OF COLORADO)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of
_____, 2013 by _____, as
_____ for THE REYNOLDS CATTLE CO.

My Commission expires: _____ :

Witness my hand and official seal.

Notary Public

STATE OF COLORADO)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of
_____, 2013 by _____, as
_____ for REYNOLDS FAMILY LLC.

My Commission expires: _____ :

Witness my hand and official seal.

Notary Public

STATE OF COLORADO)
) ss.
City and County of Denver)

The foregoing instrument was acknowledged before me this _____ day of _____, 2013 by _____, as _____ for KERR-McGEE GATHERING LLC.

My Commission expires: _____:

Witness my hand and official seal.

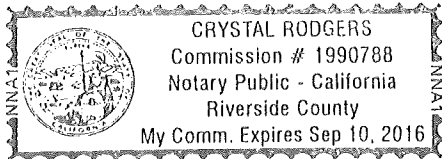
Notary Public

STATE OF ~~COLORADO~~)
California) ss.
COUNTY OF Riverside)

The foregoing instrument was acknowledged before me this 6 day of Jan, 2014 by Rosamond Reynolds, as President for THE REYNOLDS CATTLE CO.

My Commission expires: 9/10/16:

Witness my hand and official seal.



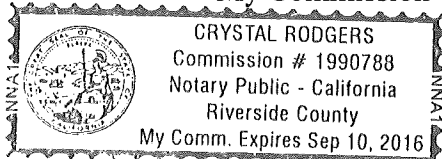
Crystal Rodgers
Notary Public

STATE OF ~~COLORADO~~)
California) ss.
COUNTY OF Riverside)

The foregoing instrument was acknowledged before me this 6 day of Jan, 2014 by Rosamond Reynolds, as Registered Agent for REYNOLDS FAMILY LLC.

My Commission expires: 9/10/16:

Witness my hand and official seal.

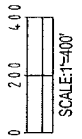
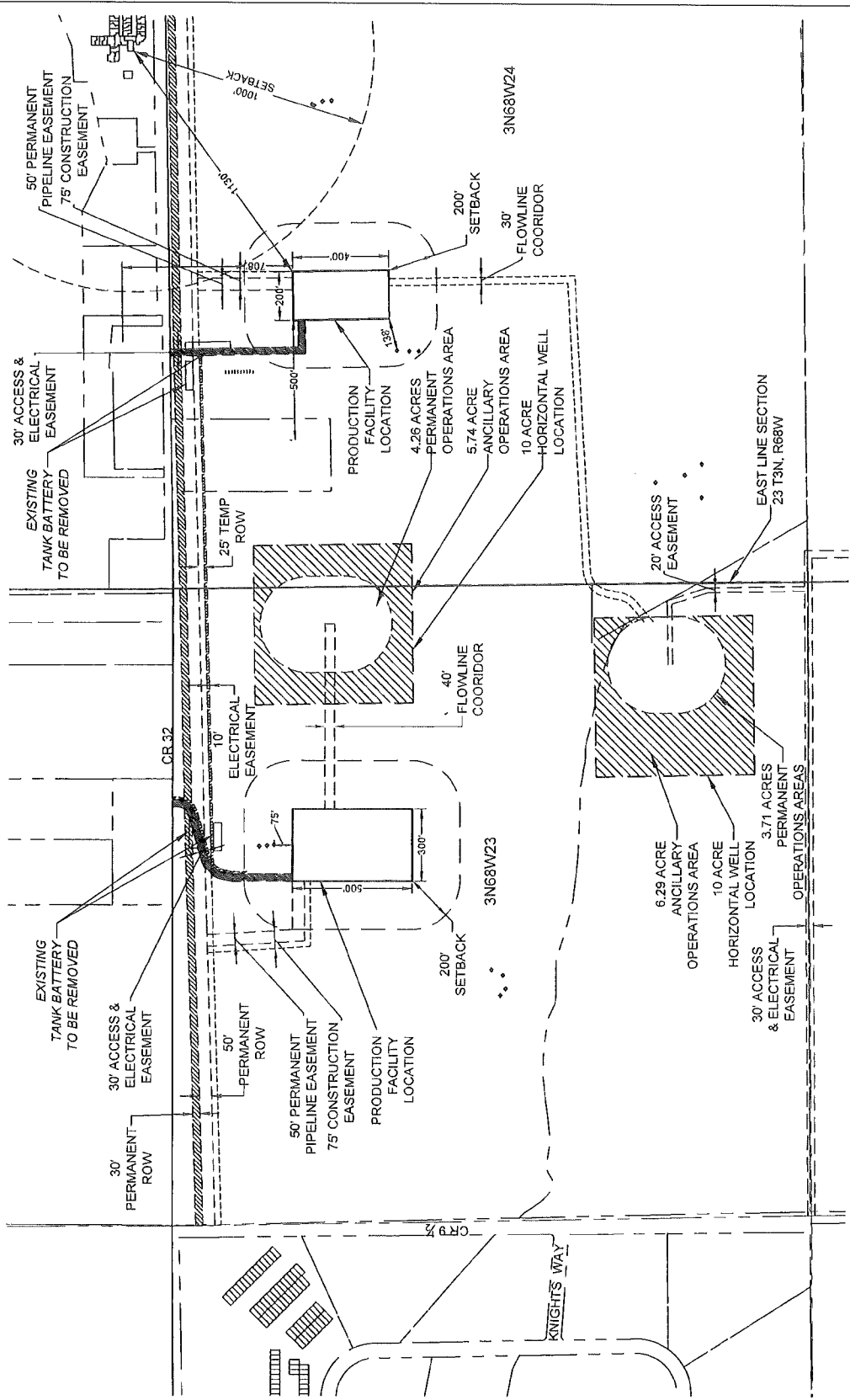


Crystal Rodgers
Notary Public

Exhibit 1
to
Amendment to Surface Use Agreement
effective December 30, 2013
among Kerr-McGee Oil & Gas Onshore LP, Kerr-McGee Gathering LLC (for the
limited purposes described) and Reynolds Family LLC and The Reynolds Cattle Co.

See attached plat consisting of one page.

EXHIBIT 1



PREPARED BY: PFS Petroleum Field Services, LLC 1801 W. 53rd Ave. Denver, CO 80202		FIELD DATE: NA DRAWING DATE: 12-31-13 BY: SMD CHECKED BY: TJN	PROJECT NAME: REYNOLDS CATTLE (NE 23 & NW 24 3N-68W) SURFACE LOCATION: NE 1/4, SEC. 23, & NW 1/4, NW 1/4 SEC. 24, T3N, R68W, 6TH P.M. WELD COUNTY, COLORADO
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Exhibit 2

to

**Amendment to Surface Use Agreement
effective December 30, 2013****among Kerr-McGee Oil & Gas Onshore LP, Kerr-McGee Gathering LLC (for the limited purposes described) and Reynolds Family LLC and The Reynolds Cattle Co.****RIGHT-OF-WAY GRANT**

THIS RIGHT-OF-WAY GRANT ("Grant) is made this ____ day of _____, 201__, from **REYNOLDS** _____ with an address of Post Office Box 675, Longmont, Colorado 80501 ("**Grantor**") to **KERR-MCGEE GATHERING LLC**, a Colorado limited liability company, with an address of 1099 18th Street, Suite 1800, Denver, Colorado 80202 ("**KMGG**"). The parties agree as follows:

For and in consideration of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor hereby grants, conveys and warrants unto KMGG, its successors and assigns, a perpetual right-of-way and easement to survey, construct, maintain, inspect, operate, repair, replace, modify, change the size of, reconstruct, mark, monitor, abandon or remove and release, at KMGG's election, one or more pipelines, electric power lines, data transmission lines and equipment, and all appurtenances, below ground (except one above ground launcher/receiver location as described herein), necessary or convenient for the transportation or transmission of oil, gas, petroleum products, water, electricity, electronic data, hydrocarbons and any other substances, whether electronic, fluid, solid or gaseous, and any products, derivatives, combinations or mixtures of any of the foregoing, in, on, over, under, or through the lands situated in Weld County, State of Colorado, being described as follows:

TOWNSHIP 3 NORTH, RANGE 68 WEST, 6TH PM**Section 23: NE/4****Section 24: N/2**

The specific route and course of the right-of-way and easement conveyed hereby ("**Right-of-Way Lands**") are more particularly described on Exhibit "A" attached hereto and made a part hereof. The width of the Right-of-Way Lands is seventy-five feet (75') during construction, and subsequent to construction, the width of the Right-of-Way Lands is fifty feet (50').

From time to time after the initial construction of the pipeline(s), KMGG may require the use of temporary work space depicted on Exhibit "A" to survey, construct, maintain, inspect, operate, repair, alter, replace, modify, change the size of, reconstruct, mark, monitor, abandon or remove the pipeline(s) together with appurtenances. Grantor agrees to negotiate in good faith with KMGG to allow KMGG the use of the temporary work space set forth in Exhibit A.

Grantor represents and warrants to KMGG that Grantor is the sole owner in fee simple of the Right-of-Way Lands subject to the burden of the Right-of-Way and that Grantor has full right, power and authority to enter into this Grant.

Any pipelines and/or appurtenances to be constructed underground pursuant to this Grant shall be placed at a depth of not less than 48 inches below the surface of the ground. Grantor agrees not to increase or decrease the surface elevation on the Right-of-Way Lands without KMGG's prior written permission. KMGG shall repair and/or restore any fence(s) on or adjacent to the Right-of-Way Lands that are removed or severed by KMGG in the course of the operations provided for in this Grant to the condition such fence was in prior to its removal or severance by KMGG. If necessary to prevent the escape of Grantor's livestock, KMGG shall construct temporary gates or fences in those areas affected by KMGG's operations as provided for in this Grant.

KMGG shall also have the right pursuant to this Grant to construct and maintain one above-ground launcher and/or receiver station at the location depicted on Exhibit B.

To the extent reasonably practicable and within a reasonable period of time after completion of construction, KMGG shall level and restore any lands affected by KMGG's operations that have excessive settling and shall sufficiently compact the soil to the condition that existed at the time immediately prior to the placement of KMGG's pipeline(s).

Grantor agrees that Grantor will not build, create, or construct, or permit to be built, created or constructed, any obstruction, building, fence, reservoir, engineering works or other structures or improvements over, under, on or across the Right-of-Way Lands without the prior written consent of KMGG. Grantor shall have the right to cross pipeline easements with roadways and other utilities provided that such crossing is made at an angle of not less than 60 degrees and not more than 90 degrees. Grantor shall also have the right to install and maintain easements that are both adjacent to, and/or within, the pipeline easements for utility lines, including those for water, gas, sewer, electric, telephone, cable, television, and fiber optic and other pipelines; provided, however: i) any new underground facilities that travel along a pipeline easement shall be located a distance horizontally of at least ten (10) feet from parallel existing pipelines; ii) any new underground facilities shall have at least twenty-four (24) inches of vertical clearance between such new facility and a pipeline; and iii) any overhead power lines shall be at least twenty (20) feet above the ground. Grantor agrees that it will notify each utility company that, except in case of emergency, KMGG must be contacted at least ten (10) business days prior to commencement of any trenching or digging activities within ten (10) feet of its easement areas.

KMGG shall have all rights, privileges and benefits necessary or convenient for the full use and enjoyment of this Grant, including access to the Right-of-Way Lands from the roads depicted on Exhibit A.

Grantor agrees that at KMGG's option, KMGG may pay and discharge any taxes, mortgages or liens existing, levied or assessed on or against the lands burdened by the Right-of-Way easement. If KMGG exercises such option, KMGG shall be subrogated to the rights of the party to whom payment is made, and in addition to its other rights, may

reimburse itself out of any rentals, royalties, shut-in royalties, or any other amounts otherwise payable to Grantor from KMGG.

KMGG shall be obligated to pay for, repair, replace or otherwise compensate Grantor for any damages resulting from KMGG's activities and operations on the Right-of-Way Lands, except for any damage to structures or improvements placed in the Right-of-Way Lands contrary to the terms contained herein, and Grantor shall pay for, reimburse, indemnify and hold KMGG harmless from any and all claims or damages resulting from Grantor's activities on the Right-of-Way Lands. Grantor shall have the right to use and enjoy the Right-of-Way Lands, subject to the rights herein granted.

This Grant cannot be modified, except by an instrument in writing signed by Grantor and an authorized representative of KMGG.

The rights granted herein may be assigned in whole or in part, and the terms, conditions, and provisions of this Grant are a covenant running with the land and shall extend to and be binding upon the successors and assigns of Grantor and KMGG.

Exhibits A and B are incorporated into this Grant by reference.

KMGG shall record an original of this Right-of-Way Grant in the records of Weld County.

This Grant may be executed in counterparts, each of which shall be considered one and the same agreement.

IN WITNESS WHEREOF, Grantor and KMGG have executed this Right-of-Way Grant as of the date first above written.

Grantor:

Reynolds _____

KMGG:

Kerr-McGee Gathering LLC

By: _____
Name: _____
Its: _____

By: _____
Name: _____
Its: _____

Exhibit 3
to
Amendment to Surface Use Agreement
effective December 30, 2013
among Kerr-McGee Oil & Gas Onshore LP, Kerr-McGee Gathering LLC (for the
limited purposes described) and Reynolds Family LLC and The Reynolds Cattle Co.

See attached KMGG Guidelines consisting of four (4) pages.



General Guidelines for Design and Construction Activities On or Near Kerr- McGee Gathering LLC Pipelines and Related Facilities

This list of design, construction and contractor requirements, including but not limited to the following, is for the design and installation of foreign utilities or improvements on Kerr McGee Gathering LLC (KMGG) right-of-way (ROW). These are not intended to, nor do they waive or modify any rights KMGG may have under existing easements or ROW agreements. For information regarding KMGG's rights and requirements as they pertain to the existing easements, please reference existing easements and amendments documents. This list of requirements is applicable for KMGG facilities on easements and in road rights of ways only. Encroachments on fee property should be referred to the Land & ROW Department. Any reference to KMGG in the below requirements is meant to include and apply to any Kerr McGee entity.

Design

- ♦ KMGG shall be provided sufficient prior notice of planned activities involving excavation, blasting, or any type of construction on KMGG's ROW or near its facilities. This is to determine and resolve any location, grade or encroachment problems and allow for the protection of KMGG's facilities and the general public. This prior notification is to be made **before** the actual work is to take place.
- ♦ The encroaching entity shall provide KMGG with a set of drawings for review and a set of final construction drawings showing all aspects of the proposed facilities in the vicinity of KMGG's ROW. The encroaching entity shall also provide a set of "as-built drawings" and submit to KMGG, showing the facilities in the vicinity of KMGG's ROW upon completion of the work.
- ♦ Only facilities shown on drawings reviewed by KMGG will be approved for installation on KMGG's ROW. All drawing revisions that affect facilities proposed to be placed on KMGG's ROW must be approved by KMGG in writing.
- ♦ KMGG shall approve the design of all permanent road crossings.
- ♦ Any repair to surface facilities following future pipeline maintenance or repair work by KMGG on its "prior rights" ROW will be at the expense of the developer or landowner. In addition, any repair to surface facilities following future pipeline maintenance or repair work by KMGG on replacement ROW granted to relocate KMGG facilities will also be done at the expense of the developer or landowner unless expressly addressed in surface use agreements and approved in writing by KMGG.
- ♦ The depth of cover over the KMGG pipelines shall not be increased or reduced nor surface modified for drainage without KMGG's written approval.
- ♦ Construction of any permanent structure within KMGG pipeline easement is **not** permitted without written approval by KMGG.
- ♦ Planting of shrubs and trees is not permitted on KMGG pipeline easement without written approval by KMGG.
- ♦ Irrigation equipment i.e. backflow prevent devices, meters, valves, valve boxes, etc. shall not be located on KMGG easement without written approval by KMGG.
- ♦ Foreign utility installations, i.e., distribution gas, oil and gas gathering, water, electric, telephone, cable and sewer lines, etc., may cross perpendicular to KMGG's pipeline within the ROW, provided that a minimum of eighteen inches (18") of vertical clearance is maintained between KMGG pipeline(s) and the foreign utility. Any installation by a foreign utility with less than 18" of vertical separation is not allowed without written approval by KMGG. In no case will vertical separation be less than 12". Constant line elevations must be maintained across KMGG's entire ROW width, gravity drain lines are the only exception and must be approved in writing. Foreign line crossings below the KMGG pipeline must be evaluated by KMGG to ensure that a significant length of the KMGG line is not exposed and unsupported during construction. Foreign line crossings above the KMGG pipeline with less than 18" of clearance must be evaluated by KMGG to ensure that additional support is not necessary to prevent settling on top of the KMGG natural gas pipeline. A KMGG representative must be on site during any crossing activities to verify clearance depths and to assure the integrity and support of the KMGG facility. All installations of foreign crossings done by boring and or jacking require the KMGG facility to be exposed to verify clearances.



General Guidelines for Design and Construction Activities On or Near Kerr- McGee Gathering LLC Pipelines and Related Facilities

- ♦ Foreign utilities shall not run parallel to KMGG pipelines within the KMGG easement without written permission by KMGG. A minimum of 10 feet of horizontal separation must be maintained in parallel installations whether the foreign utility is placed within the KMGG easement or adjacent to the KMGG easement. Any deviation from the 10' horizontal requirement must be approved in writing by KMGG and an "as built survey" provided to KMGG after installation. In the instance that high voltage electric lines, greater than 20kV, are installed parallel to a KMGG pipeline a minimum horizontal distance of 15' must be maintained.
- ♦ The foreign utility should be advised that KMGG maintains cathodic protection on its pipelines and facilities. The foreign utility must coordinate their cathodic protection system with KMGG's. At the request of KMGG, foreign utilities shall install (or allow to be installed) cathodic protection test leads at all crossings for the purposes of monitoring cathodic protection interference. The KMGG CP technician and the foreign utility CP technician shall perform post construction CP interference testing. Interference issues shall be resolved by mutual agreement between foreign utility and KMGG. All costs associated with the correction of cathodic protection interference issues on KMGG pipelines as a result of the foreign utility crossing shall be borne by the foreign utility for a period of one year from date the foreign utility is put in service.
- ♦ The developer shall understand that KMGG, whether specifically required per federal law or by company standard, will mark the routing of its underground facilities with aboveground pipeline markers and test leads and maintain those markers and test leads. Markers will be installed at every point the pipeline route changes direction and adequate markers will be installed on straight sections of pipeline to insure, in the sole opinion of KMGG, the safety of the public, contractor, KMGG personnel and KMGG facilities.
- ♦ On all foreign utility crossings and / or encroachments, metallic foreign lines shall be coated with a suitable pipe coating for a distance of at least 10 feet on either side of the crossing.
- ♦ AC Electrical lines must be installed in conduit and properly insulated.
- ♦ On all foreign pipelines, DOT approved pipeline markers shall be installed so as to indicate the route of the foreign pipeline across the KMGG ROW.
- ♦ No power poles, light standards, etc. shall be installed in the KMGG easement without written approval by KMGG.
- ♦ KMGG installs above ground appurtenances at various locations that are used in the operation of its facilities. Kerr McGee will install protective enclosures at the above ground appurtenances to protect them from outside damage. The design and placement of these above ground appurtenances and protective enclosures is done at KMGG's sole discretion, and may exceed any regulatory requirements.

Construction

- ♦ If KMGG will be relocating KMGG facilities for any entity, grading in the new KMGG ROW shall be +/- 6 inches before KMGG will mobilize to complete the relocation. Final cover after the completion of the project will not be manipulated by the requesting entity to be less than 48" nor more than 72". All cover that exceeds 72" or less than 48" will be approved in writing by KMGG. This does not preclude KMGG from installing the pipeline at a minimum cover of 36" as provided for in CFR 49 Part 192. Cover during all construction activities will NEVER be less than 36" unless approved in writing and a KMGG representative is on site during the time cover is reduced.
- ♦ The entity requesting relocation shall survey top of pipe after installation but before backfill to determine proper final elevation of KMGG facilities. The entity requesting relocation is solely responsible for the final depth of cover over the relocated KMGG facility. Any deviation from cover requirements as outlined above will be corrected at the sole expense of the entity requesting relocation.
- ♦ Contractors shall be advised of KMGG's requirements and be contractually obligated to comply.
- ♦ The continued integrity of KMGG's pipelines and the safety of all individuals in the area of proposed work near KMGG's facilities are of the utmost importance. Therefore, contractor must meet with KMGG representatives prior to construction to provide and receive notification listings for appropriate area operations and emergency personnel. **KMGG's on-site representative will require discontinuation of any work that, in his or her opinion, endangers the operations or safety of personnel, pipelines or facilities.**



General Guidelines for Design and Construction Activities On or Near Kerr- McGee Gathering LLC Pipelines and Related Facilities

- ♦ The Contractor must expose all KMGG pipelines prior to crossing to determine the exact alignment and depth of the lines. A KMGG representative must be present.
- ♦ The use of probing rods for pipeline locating shall be performed by KMGG representatives only, to prevent unnecessary damage to the pipeline coating. A KMGG representative shall do all line locating.
- ♦ Notification shall be given to KMGG at least 72 hours before start of construction. A schedule of activities for the duration of the project must be made available at that time to facilitate the scheduling of KMGG's work site representative. Any Contractor schedule changes shall be provided to KMGG immediately.
- ♦ Heavy equipment will not be allowed to operate directly over KMGG pipelines or in KMGG ROW unless written approval is obtained from KMGG. Heavy equipment shall only be allowed to cross KMGG pipelines at locations designated by KMGG. Haul roads will be constructed at all crossings. The haul roads will be constructed using lightweight equipment. The existing depth of cover over the pipeline must be verified. Cover will be added such that a total of 8' of fill exists over the pipeline and extends a minimum of 10' on each side of the pipeline. Depth of cover will then taper as required for equipment access. Steel plates may be used for load dissipation only if approved in writing by KMGG.
- ♦ Contractor shall comply with all precautionary measures required by KMGG, at its sole discretion to protect its pipelines. When inclement weather exists, provisions must be made to compensate for soil displacement due to subsidence of tires.
- ♦ Excavating or grading which might result in erosion or which could render the KMGG ROW inaccessible shall not be permitted unless the contractor agrees to restore the area to its original condition and provide protection to KMGG's facility. At no time will cover be reduced to less than 36" without written approval by KMGG and a KMGG representative on site.
- ♦ A KMGG representative shall be notified prior to construction activities within twenty-five (25) feet of a KMGG pipeline or above ground appurtenance. The contractor shall not be allowed to work within twenty-five (25) feet of KMGG facilities without approval from the KMGG representative. The KMGG representative may or may not remain on site during the entire construction activity. Contractor shall use extreme caution and take appropriate measures to protect KMGG facilities. The contractor shall call the KMGG representative prior to backfilling around the KMGG facility to allow for a final inspection of the KMGG facility.
- ♦ Ripping is only allowed when the position of the pipe is known and not within ten (10) feet of KMGG facility. KMGG personnel must be present.
- ♦ Temporary support of any exposed KMGG pipeline by Contractor may be necessary if required by KMGG's on-site representative. Backfill below the exposed lines and 12" above the lines shall be replaced with sand or other selected material as approved by KMGG's on-site representative and thoroughly compacted in 12" lifts to 95% of standard proctor dry density minimum or as approved by KMGG's on-site representative. This is to adequately protect against stresses that may be caused by the settling of the pipeline.
- ♦ No blasting shall be allowed within 1000 feet of KMGG's facilities unless blasting notification is given to KMGG including complete Blasting Plan Data. A pre-blast meeting shall be conducted by the organization responsible for blasting.
- ♦ KMGG shall be indemnified and held harmless from any loss, cost of liability for personal injuries received, death caused or property damage suffered or sustained by any person resulting from any blasting operations undertaken within 500 feet of its facilities. The organization responsible for blasting shall be liable for any and all damages caused to KMGG's facilities as a result of their activities whether or not KMGG representatives are present. KMGG shall have a signed and executed Blasting Indemnification Agreement before authorized permission to blast can be given.
- ♦ No blasting shall be allowed within 200 feet of KMGG's facilities unless blasting notification is given to KMGG a minimum of one week before blasting. The organization responsible for blasting must complete Blasting Plan Data. KMGG shall review and analyze the blasting methods. A written blasting plan shall be provided by the organization responsible for blasting and agreed to in writing by KMGG. A written emergency plan shall be provided by the organization responsible for blasting.
- ♦ KMGG shall have a signed and executed Blasting Indemnification Agreement before authorized permission to blast can be given. A pre-blast meeting shall be conducted by the organization responsible for blasting.



General Guidelines for Design and Construction Activities On or Near Kerr- McGee Gathering LLC Pipelines and Related Facilities

- ♦ Any contact with any KMGG facility, pipeline, valve set, etc. shall be reported immediately to KMGG. If repairs to the pipe are necessary, they will be made and inspected before the section is re-coated and the line is back-filled.
- ♦ KMGG personnel shall install all test leads on KMGG facilities.

Local Kerr-McGee Gathering LLC Representation:

Operations Manager
Staff Engineer:
Pipeline Foreman:

Tim Bates
Wes Fortik
Wayne Knight

Phone: (303) 655-4352
Phone: (720) 929-6985
Phone: (303) 655-4329

Emergency Contacts:

On call integrated operation center
One Call Emergency

Phone: (970) 506-5980
Phone: 811