

MC-804680001  
FILE  
MBM

### SURFACE USE AGREEMENT AND INDEMNIFICATION

THIS AGREEMENT is entered into this 15<sup>th</sup> day of June 2010, by and between the Stover Ranch - Colorado, Jasper Stover, President, hereinafter referred to as the Surface Owner, and East Resources Management, Inc., hereinafter referred to as the Operator.

WHEREAS, Surface Owner is the owner of the surface estate which is more particularly described in Exhibit A, attached hereto and by reference incorporated herein (hereinafter referred to as the "Subject Lands"). In addition, the Surface Owner also owns interest in the mineral estate underlying some of the Subject Lands;

WHEREAS, Operator owns an interest in or has the right to obtain an interest in certain oil and gas leases underlying surface properties owned by Surface Owner;

WHEREAS, Surface Owner and Operator entered into a Surface Use Agreement and Indemnification dated June 1, 1997, and Surface Owner now desires to enter into a new Surface Use Agreement and Indemnification to develop and produce the underlying mineral estate upon which, in some cases, the Surface Owner owns no minerals;

WHEREAS, Surface Owner and Operator desire to enter into said agreement to provide for fair, considerate coexisting uses and to minimize conflicts arising from the right of Operator to use portions of the Subject Land to develop and produce the underlying mineral estate;

NOW THEREFORE, for and in consideration of the mutual promises herein contained and, in particular, for Operator's Assignment of certain overriding royalty interests to Surface Owner, Operator and Surface Owner agree as follows:

#### **1. SURFACE RESTRICTIONS.**

**Hunting Season.** Operator agrees there will be no drilling activity conducted in 2010 during the months of October and November. Operator further agrees there will be no drilling activity conducted in 2011 and for the remainder of the term of this Agreement during the months of September, October, and November.

Surface Owner acknowledges that the surface restriction provision applies to the drilling of wells. Preventative and emergency maintenance of wells will occur periodically along with the measuring and hauling of oil during the months of September, October and November. However, unless an emergency exists, normal well head service and inspections will be conducted between 10:00 a.m. and 2:00 p.m. during the months of September, October and November.

#### **2. SURFACE OWNER'S USE OF GAS.**

- a. **Free Use.** Surface owner shall be entitled to use, on the Subject Lands, for its domestic hunting and ranching purposes, wellhead gas produced from any new wells which is in excess of Operator's requirements. Such gas shall be free of cost to surface owner. Surface Owner shall bear all costs of connecting and maintaining its gas lines to any wellhead.

STATE OF TEXAS                    )  
  ) ss.  
COUNTY OF Davis            )

The foregoing instrument was acknowledged before me this 28 day of June  
2010 by Jasper Stover, President of Stove Ranch – Colorado, as the Surface Owner.

WITNESS my hand and official seal.

My Commission Expires:  
10-21-2011

Stacy Lynn Shelly  
Notary Public



STATE OF COLORADO            )  
  ) ss.  
COUNTY OF BROOMFIELD        )

The foregoing instrument was acknowledged before me on the 28<sup>th</sup> day of June  
2010, by Ginny Burchard, as Land Manager, on behalf of East Resources Management., LLC.

My Commission Expires:  
5/13/13

Cynthia D. Holmberg  
Notary Public

## EXHIBIT A

Attached to and made a part of that certain Surface Use Agreement and Indemnification by and between  
Stover Ranch - Colorado and East Resources Management, LLC, dated June 15, 2010

### SUBJECT LANDS:

#### Township 5 North, Range 90 West, 6<sup>th</sup> P.M.

Section 32: Lots 5, 6, 9, 10, 11

Section 33: Lots 4, 5, 6, 9, 10, 11, 12, 13, 14, 15, 16

#### Township 4 North, Range 90 West, 6<sup>th</sup> P.M.

Section 07: All that portion of Lot 6 and the  $\frac{1}{2}$ SE/4 lying easterly of the East Right of Way of Moffat County Road No. 37, excepting and excluding the following described tract of land: Beginning at a point on the East Right of Way of Moffat County Road No. 37 from which the Northeast corner of said Section 7 bears North  $14^{\circ}37'34''$  East 864.18 feet; thence along the following 7 courses:

- 1) South  $41^{\circ}03'20''$  East 237.63 feet;
- 2) South  $47^{\circ}10'51''$  West 117.79 feet;
- 3) South  $38^{\circ}34'55''$  West 11.95 feet;
- 4) South  $52^{\circ}21'48''$  West 43.51 feet;
- 5) South  $43^{\circ}15'24''$  West 268.20 feet;
- 6) South  $47^{\circ}04'20''$  West 57.00 feet

Thence along said East Right of Way 560.83 feet along the arc of a curve to the right having a radius of 951.50 feet and a long chord which bears North  $40^{\circ}56'09''$  East 552.75 feet to the point of beginning, containing 2.93 acres, more or less.

Section 08: All that part of Section 8 lying easterly of the East Right of Way of Moffat County Road No. 37, and lying southerly and easterly of the boundary line of the tract of land conveyed to Harry L. Durham Jr., by deed recorded in Book 513, Page 612, Moffat County records.

Section 09: Lots 1, 2, 3, 4, S/2

Section 10: Lots 1, 2, 3, 4, NE/4SW/4, SE/4

Section 11: SW/4

Section 14: N/2NW/4

Section 15: N/2NE/4

Section 17: NE/4, all that part of the N/2NW/4 lying easterly of the East Right of Way of Moffat County Road No. 37