

## **SURFACE USE AND GRANT OF EASEMENT**

THIS SURFACE USE AGREEMENT ("Agreement") is entered into by and between B & B Family Trust, Homer Grinde, Trustee ("Owner"), whose address is 5322 WCR 51, Keenesburg, Co 80643, the owner of the surface estate described below (the "Property"), and Bill Barrett Corporation ("Company"), whose address is 1099 18<sup>th</sup> Street, Suite 2300, Denver, CO 80202 (individually a "Party," together "the Parties") with respect to the following described lands:

Township 1 North, Range 64 West, 6<sup>th</sup> P.M.

Section 5: Commencing at the Southwest Corner of Section 5, Township 1 North, Range 64 West of the 6<sup>th</sup> Principal Meridian, County of Weld, State of Colorado, Thence North along the West Line said Southwest One-Quarter a distance of 593.09 feet to the true Point of Beginning, said Point being on the Centerline of the Denver Hudson Canal; Thence along said Centerline the Following course and Distances:

N 63 Deg 42'14"E	180.02';
N 53 Deg 37'31"E	72.43';
N 38 Deg 23'37"E	96.31';
N 31 Deg 34'26"E	360.69';
N 39 Deg 30'03"E	174.07' to a Point; Thence N 88 Deg 45'51" a distance of 579.24' to a Point of the West Line of said Southwest One-Quarter, Thence South along the West said Southwest One-Quarter a distance of 652.29' to the True Point of Beginning.

County of Weld, State of Colorado

## **RECITALS**

WHEREAS, Company owns the leasehold right to access the Property and use so much of the surface as is reasonably necessary to explore for and produce oil and gas from the leased premises; and,

## **RELEASE & CONVEYANCE**

AND,

Owner hereby grants, demises and conveys such easements and rights-of-way on and across the Property as may be convenient for the Operations. Company shall have the exclusive right to drill and operate wells ("Wells") and to conduct its Operations anywhere within the Exclusive Oil and Gas Operations Area ("EOGOA") and locate any associated access roads, flowlines, production facilities, pipelines, temporary pipelines, and easements shown on Exhibit A, attached hereto and incorporated herein, including directional and horizontal wells that produce from and drain lands other than the Property. Owner recognizes that BBC's conducting oil and gas operations on the Property includes but is not limited to the following: permitting, obtaining consents and waivers, environmental impact assessments and evaluations, surveying, seismic activity, exploration, drilling, stimulation, completion, re-stimulation, re-completion, deepening, reworking, equipping, production, maintenance, plugging and abandoning of wells, together with accessing, inspection, construction, erection, installation, operation, maintenance, repair, removal, replacement, expansion, testing, updating, upgrade, ownership, and use of related facilities including gathering, storage, and processing facilities, as well as associated flowlines, pipelines, temporary pipelines, access roads, and related buildings, fencing, and equipment, as all of the foregoing may be related to vertical, directional, horizontal or lateral wellbores ("Operations").

#### ADDITIONAL COVENANTS

*The Parties agree that the Recitals above are integral to this Agreement and as such are expressly incorporated in these Covenants by reference as if fully set forth herein.*

1. Company may exercise its rights hereunder for all purposes convenient for Company to perform the Operations, including the right of unimpeded ingress and egress on the designated rights-of-way to access the EOGOA, to install and operate production facilities and pipelines, and to install other associated equipment and facilities within the EOGOA. Company may assign or delegate to a third party the right to install and operate pipelines in order to connect the Wells to a gas or liquids gathering or distribution system. The access and pipeline easements granted herein shall be non-exclusive and capable of use by Owner, so long as such use does not interfere with or impair the Operations, and with the permission of Company, which permission shall not be unreasonably withheld. Nothing contained in this section shall be construed as prohibiting Company from exercising any right it has to use the surface of the Property outside of the EOGOA, Access Road Area, Flowline Area, Temporary Pipeline Area, and Pipeline Area pursuant to any mineral leases, mineral deed or similar instrument granting Company the right to develop the mineral estate.

3. Company hereby agrees to release, discharge, indemnify and hold Owner harmless from and against any and all third party claims, losses, liability, damages, and causes of



action for personal injury or property damage arising out of Company's Operations, unless, and to the extent that, Owner's negligence causes or contributes to such third party claims. This indemnification extends to any action by a government agency with jurisdiction over the Operations under an environmental law or regulation.

4. Owner has requested that all consultation be conducted directly with Owner. Accordingly, 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 the Operations. Owner agrees that all damages claimed by a surface tenant, lessee or other such party resulting from the Operations shall be settled by Owner, and Owner hereby agrees to release, discharge, indemnify and hold Company harmless from and against any such claims.

5. Company agrees to perform all reclamation in accordance with the rules and regulations of the Colorado Oil and Gas Conservation Commission ("COGCC"), unless a variance is granted by the COGCC upon the request of Owner. Company shall endeavor to keep the EOGOA and the flowline, pipeline, and access easements free of weeds and debris and to control erosion.

6. Commencement of the Operations with heavy equipment is estimated to begin in [month] [year]. Owner acknowledges that this notice complies with, or hereby waives, all COGCC requirements that it be given advance notice by Company of the proposed Operations. Owner acknowledges receiving from Company a brochure prepared by the COGCC which describes the rights and responsibilities of Owner as a surface owner.

7. Company shall construct its well pads and production facilities (EOGOA), access roads, flowlines, temporary pipelines, and pipelines, as depicted on Exhibit A as the Access Road Area, Flowline Area, Temporary Pipeline Area, Pipeline Area and EOGOA, except in the event of an emergency, or for reasonable incidental and temporary activities, and Company shall be responsible for any physical damage to the Property that may be caused by such emergency or temporary activities.

**8. Owner acknowledges and agrees that Company has consulted in good faith with Owner as to its proposed Operations, in accordance with COGCC requirements, or hereby waives such requirements. Owner expressly waives the application of any COGCC setbacks inconsistent with this Agreement.**

(a) Company will provide Owner with the COGCC Form 2A ("Oil and Gas Location Assessment") for the EOGOA when submitted to the COGCC, and Company undertakes to ensure that said Form 2A accurately reflects the provisions of this Agreement.

(b) Company is hereby expressly granted consent to locate any number of wells within the Exclusive Area, and for each well Company proposes within the Exclusive Area, Owner shall fully support Company's efforts to permit such wells including granting consent to locate any well greater than fifty (50) feet from an existing well pursuant to COGCC Rule 318A.(c) and granting consent to locate any well outside of the GWA windows as defined in COGCC Rule 318A.(a). Company or its successors and assigns may cite the waiver in this paragraph in order to obtain a location exception or variance under COGCC rules or from any other state or local governmental body. Owner agrees not to object to Company's use of the surface in the EOGOA Area, Access Road Area, Flowline Area, or Pipeline Area so long as such use is consistent with this Agreement. Owner will provide Company or its successors and

assigns with whatever written support they may reasonably require to obtain permits from the COGCC or any state or local jurisdiction.

(c) Company is hereby granted a subsurface easement, during the term of this Agreement, for passage of any portion of any well bore for any of the future wells, whether producing or nonproducing, including the right to occupy and use the subsurface pore space displaced by the well bore and all structures appurtenant thereto.

(d) Owner agrees not to object to the Form 2A, so long as it is consistent with this Agreement, and hereby waives any right granted by COGCC rule to comment on the Form 2A, to request an extension of the comment period, to request an onsite inspection pursuant to COGCC policy, or to appeal the approval and issuance of the Form 2A, and any related Form 2 (“Application for Permit to Drill”).

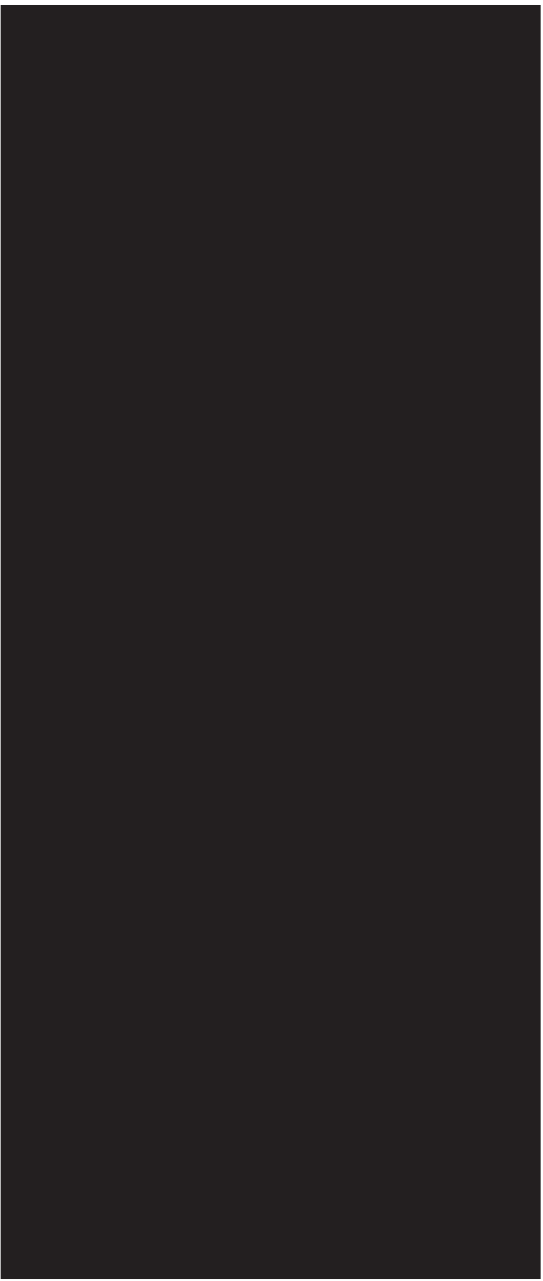
9. Owner expressly acknowledges and agrees that this Agreement shall be deemed to be specifically applicable to, and to fully satisfy, the obligation of Company to reasonably accommodate Owner’s use of the surface of the Property, existing or future, and waives any statutory or common law claim to the contrary.

14. Concerning any matter relating to the Operations, Owner may contact:

Company:	Bill Barrett Corporation
Person to Contact:	Brian James, Land Manager-Surface
Address:	1099 18 <sup>th</sup> Street, Suite 2300
	Denver, CO 80202
Phone Number:	(303) 312-8511

Email Address: [bjames@billbarrettcorp.com](mailto:bjames@billbarrettcorp.com)

24-Hour Emergency Phone Number: 1-(800) 880-6359



IN WITNESS WHEREOF, the Parties have executed this Agreement this 31<sup>st</sup> day of October , 2017.

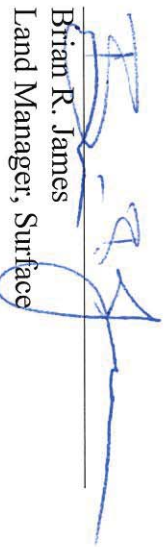
**OWNER:**

B & B Family Trust,

  
Homer Grinde, Trustee of the B & B Family Trust

**COMPANY:**

Bill Barrett Corporation

  
Brian R. James  
Land Manager, Surface



ACKNOWLEDGEMENTS

State of Colorado

County of Weld

The foregoing instrument was acknowledged before me this 31 day of Oct, 2017 by  
Homer Grinde, Trustee of the B & B Family Trust.

My commission expires 10/21/2021

Keller

Notary Public



State of Colorado

<sup>15</sup>  
~~City and~~ County of Weld

The foregoing instrument was acknowledged before me this 31<sup>st</sup> day of October, 2017 by  
Brian R. James, as Land Manager-Surface of Bill Barrett Corporation, a Delaware corporation,  
on behalf of the corporation.

My commission expires 3/2/2021

[Signature]  
Notary Public






## EXHIBIT A

Attached to and by reference made a part of that certain Surface Use Agreement and Grant of Easement dated 10/31/2017, by and between B & B Family Trust, as "Owner", and Bill Barrett Corporation as "Grantee", covering the following lands:  
Township 1 North, Range 64 West, 6th P.M.  
Section 5: N/2SW/4, S/2NW/4  
Weld County, Colorado



### LEGEND

-  EXCLUSIVE OIL AND GAS OPERATIONS AREAS = 16.2 AC.
-  APPROXIMATE CL 30' WIDE PIPELINE AREA
-  APPROXIMATE CL 30' WIDE PERMANENT ACCESS ROAD AREA