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SURFACE USE AGREEMENT # 21-3



This Agreement, entered into this 29 day of Jan, 2004, between the parties, Donald A. and Darrelaine Hoque whose address is P.O. Box 153, Baggs, WY 82321 (SURFACE OWNER) and Western Gas Resources, Inc. whose address is 1099 18th Street, Suite 1200, Denver, CO 80202 (OPERATOR) provides that OPERATOR will be allowed to enter onto and conduct surveying, drilling, completion, construction of pipelines, production operations, reworking operations and all additional operations associated therewith on SURFACE OWNERS property located in the following described lands in Moffat County, Colorado (SUBJECT LANDS).

Township 9 North, Range 93 West, 6th P.M.
Section 3: Lots 2, 3, 4, S2NW, SWNE, SW, W2SE

OPERATOR has indicated that it owns, or is attempting to secure, drilling rights under the SUBJECT LANDS and desires to conduct operations to drill, complete, and produce oil and gas wells on the SUBJECT LANDS or adjacent lands. The following shall set out those terms and conditions under which OPERATOR may enter and conduct operations on SUBJECT LANDS.

1. No ~~permanent~~ roads will be constructed by OPERATOR unless determined to be absolutely necessary and mutually agreed upon between SURFACE OWNER and OPERATOR.
2. No recreational use of SUBJECT LANDS by OPERATOR is allowed.
3. Possession of firearms on SUBJECT LANDS by OPERATOR is prohibited.
4. Production well locations shall utilize no more than 4 acres of land while drilling and no more than 2 acres for permanent facilities.
5. As compensation for the above-described access, OPERATOR will pay to SURFACE OWNER the following:

WELL SITE LOCATION

A payment of ~~_____~~ per well site, before initiating construction of the location. An annual rental payment of ~~_____~~ shall be due on the anniversary date of payment of well site location fee and each year thereafter so long as the site is active.

