



Smith  
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MAY 31 2012  
COGCC  
118-03

SURFACE USE AGREEMENT

THIS SURFACE USE AGREEMENT ("Agreement"), dated effective this 10<sup>th</sup> day of ~~September~~, 2010, is made by and between the undersigned, Shawn M. Smith, whose address is 39820 County Road 49, Eaton, Colorado 80615 herein called "Owner", and Noble Energy, Inc., 1625 Broadway, Suite 2200, Denver, Colorado 80202, herein called "Noble";

WHEREAS, Owner represents that they are the surface owners and in possession of an interest in part or all of the surface estate for the following described lands in Weld County, Colorado, said land herein called "Lands", to wit;

Township 7 North, Range 64 West, 6th P.M.  
Section 18: N/2NW/4

WHEREAS, Owner recognizes that Noble has the right to conduct operations on the Lands pursuant to Oil & Gas Lease(s) covering the Lands and Owner and Noble desire to minimize any surface damage to the Lands and to reach an agreement regarding such surface damage;

NOW, THEREFORE, in consideration of the and other valuable consideration, the sufficiency of which is hereby acknowledged, Owner and Noble agree as follows:

1. Payment to Owner. Prior to commencement of drilling operations on the Lands, Noble shall pay Owner the following sum as full settlement and satisfaction of all damages growing out of, incident to, or in connection with the usual and customary exploration, drilling, stimulation, completion, re-stimulation, re-completion, deepening, reworking, equipping, production, maintenance, plugging and abandoning operations for the well(s) together with the installation, operation and maintenance of the associated flowline(s), access roads and production facilities, unless otherwise specifically provided herein:

A. for the proposed wellsite located on the Lands (and a like amount for any subsequent wellsites to be located on the Lands) in which Owner owns the entire surface estate, together with any lands used for road purposes, production facilities, pipelines, flowlines or other necessary facilities in connection with the wellsite.

B. If, by reasons directly resulting from the operations of Noble, there is damage to real or personal property upon the Lands which is not associated with usual and customary operations, including, but not limited to, damage to livestock, structures, buildings, fences, culverts, cement ditches, irrigation systems, and natural water ways, such damage will be repaired or replaced by Noble, or Noble will pay actual damages or an amount equal to the actual costs to repair such actual damages.

C. Owner agrees to notify any surface tenant that may be affected by Noble's operations on the Lands and Owner may allocate the payments made hereunder with such surface tenant as they shall mutually determine between themselves and Noble shall have no liability therefore.

2. Noble Obligations. In conducting operations on the Lands, Noble shall:

A. Locate, construct and install the wellsite, access road, flowlines, and production facilities, including, but not limited to, pumping units, production tanks, water pits, heater/treaters, separators and emission control units as depicted on Exhibit "A" attached hereto and by this reference made a part of this Agreement. Noble shall fence the drillsite with a 4 wire cattle tight fence and install a cattle guard and gate at entrance to Owner's Lands.

B. Limit the size of each wellsite to no larger than 350 feet by 400 feet during any drilling, completion, recompletion or workover operations and shall be no more than 1/4 acre in size during other periods. The area required for any tank battery location associated with each well shall be limited to no larger than one-half acre in size upon completion of construction. Access roads shall be no larger than 30 feet in width during drilling, completion, deepening, refracing, recompletion, reworking, equipping and production operations. The permanent access roads to the wellhead and tank battery location shall not exceed 15 feet in width.

C. Separate the topsoil at the time of excavation of pits in accordance with Rule 1002.b.(2) of the rules and regulations of the Colorado Oil & Gas Conservation Commission ("COGCC") so that the topsoil and subsurface soil can be placed back in proper order as nearly as practicable.

D. Perform all reclamation in accordance with the rules and regulations of the COGCC, unless a variance is granted by the COGCC upon the request of Owner. Weather permitting, reclamation operations shall be completed within six months following drilling and subsequent related operations, unless Noble and Owner mutually agree to postponement because of crop or other considerations.

E. Noble shall keep the well, and related production facilities free of weeds, debris and erosion.

F. Regarding a wellsite that is located in pasture or non-crop land, the Surface Owner shall have the option to either have Noble reseed the affected area at Noble sole cost, risk and expense, or reseed the affected area itself and receive payment from Noble in the amount of \_\_\_\_\_ upon notice of such reseeding by Surface Owner. Such payment will constitute Surface Owner's acceptance of responsibility for compliance with COGCC Rule 1003.e.(2), Revegetation of Non-Crop Lands, insofar as any perennial forage crops that were present before disturbance shall be re-established.

3. Advance Notice. Owner hereby acknowledges receipt of Noble's Advance Notice of Drilling and that this notice complies with, or hereby waives, all COGCC requirements that it be given advance notice by Noble of the proposed operations. Owner acknowledges receiving from Noble a brochure prepared by the COGCC which describes the rights and responsibilities of Owner as surface owner.

4. Good Faith Consultation. Owner acknowledges and agrees that Noble has consulted in good faith with Owner as to its proposed operations, in accordance with COGCC requirements, or hereby waives such requirements.

(a) Noble will provide Owner with the COGCC Form 2A for the well(s) when submitted to the COGCC, and Noble undertakes to ensure that said Form 2A accurately reflects the provisions of this Agreement, including the specified surface locations of facilities shown on Exhibit A.

5. Successors and Assigns. When Noble is used in this Agreement, it shall also mean the successors and assigns of Noble, as well as its employees and officers, agents, affiliates, contractors, subcontractors and/or purchasers. This Agreement shall be binding upon and inure to the benefit of the heirs, successors and assigns of Owner and Noble and may be executed in counterparts.

6. Confidentiality. Owner agrees to keep the amount of consideration paid hereunder by Noble confidential and shall not disclose such information without the advance written consent from Noble. Owner further agrees to include language in any annexation, subdivision plat, planned unit development or other land use designation for which Owner may apply to put successors or assigns on notice that the property is subject to this Agreement. Noble may record a memorandum evidencing the existence of this Agreement, but in all other respects its terms and conditions shall be held confidential by the parties.


7. Governing Law/Venue. This Agreement shall be interpreted according to the laws of the State of Colorado. Venue for any dispute shall be Weld County, Colorado.

8. Written Modifications/Notices. This Agreement may only be amended in writing signed by both parties. All notices to either party shall be in writing addressed to the parties at the address first set forth above.


9. Effective Date and Term. This Agreement shall become effective when it is fully executed and shall remain in full force and effect until Noble's leasehold estate expires or is terminated, and Noble has plugged and abandoned the well(s) and conducted reclamation in accordance with this Agreement and applicable COGCC rules and regulations, except that any release, discharge or indemnity from and against liability contained herein shall survive the expiration of this Agreement.

AGREED TO AND ACCEPTED AS OF THE DATE FIRST WRITTEN ABOVE.

OWNER:

By:   
Shawn M. Smith

NOBLE ENERGY, INC.

By:   
P. David Padgett, Attorney-In-Fact

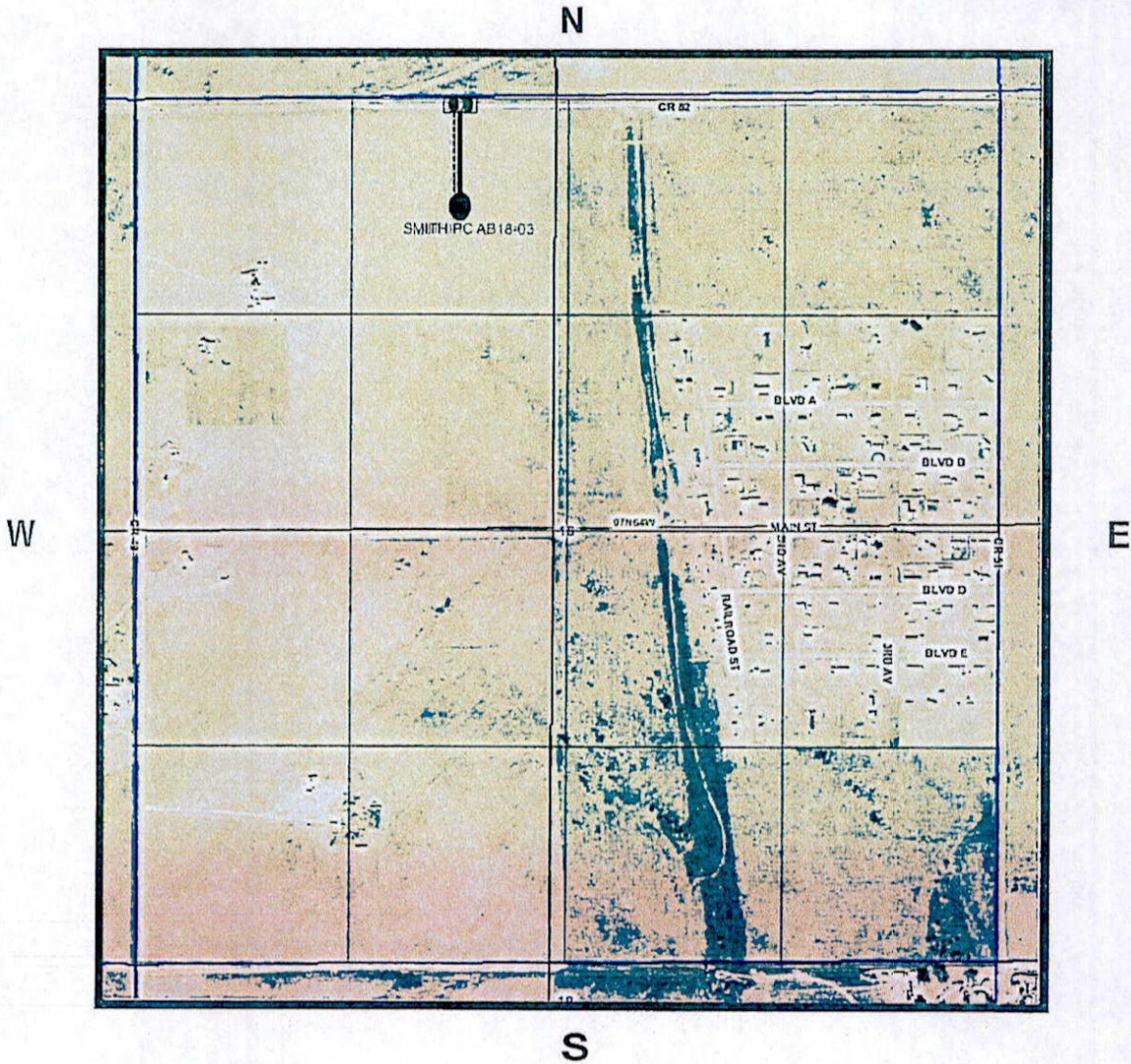
*WJB R.A.*  
*RL*



### Exhibit "A"

Attached to and by reference made a part of that certain Surface Use Agreement dated SEPTEMBER 10<sup>th</sup>, 2010, by and between Shawn M. Smith, as "Surface Owner" and Noble Energy, Inc. as "Noble" covering the following lands:

Township 7 North, Range 64 West, 6th P.M.  
Section 18: N/2NW/4  
Weld County, Colorado

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- Road Access 
- Flowline 
- Tank Battery 