

## GAS PIPELINE RIGHT OF WAY AGREEMENT

The undersigned, **AC Ranch, Inc., a Wyoming Corporation, of 516 Wyarno Road, Sheridan, WY 82801** (hereinafter referred to as "Grantor"), for and in consideration of Ten dollars (\$10.00) and other good and valuable consideration, the receipt whereof is hereby acknowledged, do hereby grant and convey unto **BITTER CREEK PIPELINES, L.L.C., of 1625 Broadway, Suite 1800, Denver, Colorado 80202**, (hereinafter referred to as "Grantee"), its successors, assigns, lessees, licensees and agents a nonexclusive easement and the right to survey, clear and excavate, lay, construct, operate, maintain, inspect, test, repair, protect, remove and, at Grantee's option, abandon in place one natural gas (including coalbed methane gas) pipeline and above and below ground valves, meters, markers, check stations, pigging stations and cathodic protection equipment upon, over, under and across the following described land which the Grantor owns or in which the Grantor has any interest, to wit:

A right of way across:

Township 57 North, Range 83 West, 6th P. M.

Section 31: E2SW4, SE4

Section 32: S2

Section 33: SW4

Township 56 North, Range 83 West, 6th P. M.

Section 5: Lots 1, 2

Sheridan County, WY

More particularly described on the surveyor's plat attached hereto as Exhibit "A" and by reference incorporated herein. Exhibit "A" may be supplemented by Grantee filing an "as built" survey map, but in no event shall the location of the pipeline materially change from the location shown upon Exhibit "A" without the written consent of Grantor. Grantee is hereby appointed attorney-in-fact of grantor for purposes of filing such supplement.

The easement granted herein shall be seventy-five (75) feet in width during the period of initial construction and reclamation. After construction has been completed the easement shall revert to thirty-five (35) feet in width being 17.50 feet on either side of the surveyed centerline of the right-of-way.

Grantee shall have the right of ingress and egress to and from the above- described easement in accordance with the Surface Damage Agreement entered into between the parties of even date herewith. Grantee shall be responsible for all damage caused to Grantor arising from Grantee's exercise of the rights herein granted to the extent provided in the Surface Damage Agreement. Subject to the Surface Damage Agreement, the Grantor reserves the right to occupy, use and cultivate said easement for all purposes and to grant such rights to others. The rights, conditions and provisions of the easement shall inure to the benefit of and be binding upon the heirs, executors, administrators, successors and assigns of the respective parties hereto.

If Grantee fails to use the pipeline for transportation of gas for any twenty-four (24) consecutive month period, then and in that event, this right-of-way shall be deemed abandoned and this Right-of Way Easement shall automatically terminate and be of no further legal force or effect.

This easement grant, including the benefits and burdens, is appurtenant to and runs with the land. This easement burdens the lands of Grantor on which the easement is located. This Right-of-Way Easement is subject to a Surface Damage Agreement of even date herewith, which is to run with this Right-of-Way Easement, which Surface Damage Agreement is incorporated herein by Reference. A copy of said Surface Damage Agreement is in the possession of the parties and should be consulted for specifics.

DATED this 26 day of February, 2001.

A C Ranch, Inc., a Wyoming Corporation

By: John Koltiska

John Koltiska, President

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### ACKNOWLEDGMENT FOR CORPORATION

STATE OF WYOMING

}

COUNTY OF SHERIDAN

} ss.  
}

On this 26 day of February, 2001, before me personally appeared John Koltiska, known to me to be the President of AC Ranch, Inc., a Wyoming Corporation, the corporation that executed the within instrument, and acknowledged to me that such corporation executed the same.

MY COMMISSION EXPIRES:

June 1, 2002



Elizabeth Wilson

Notary Public

Residing at: \_\_\_\_\_



## CERTIFIED LEGAL DESCRIPTION

### CENTERLINE 35' PIPELINE EASEMENT

THE FOLLOWING DESCRIBED LINE IS THE CENTER OF A PIPELINE EASEMENT LOCATED ACROSS A PART OF THE SOUTH ½ SECTION 31, TOWNSHIP 57 NORTH, RANGE 83 WEST, THE SOUTH ½ SECTION 32, TOWNSHIP 57 NORTH, RANGE 83 WEST, THE SOUTHWEST ¼ SECTION 33, TOWNSHIP 57 NORTH, RANGE 83 WEST, AND LOT 1 AND 2, SECTION 5, TOWNSHIP 56 NORTH, RANGE 83 WEST, 6<sup>TH</sup> PRINCIPLE MERIDIAN, SHERIDAN COUNTY, WYOMING:

**BEGINNING** at a point which is located North 00°17'10" East, 1,285.12 feet from the West 1/16 corner of said Section 31;

Thence with said centerline, South 89°39'17" East, 3,353.12 feet to a point;

Thence continuing with said centerline, North 82°28'05" East, 1,245.07 feet to a point;

Thence continuing with said centerline, North 85°30'22" East, 220.51 feet to a point;

Thence continuing with said centerline, North 89°13'21" East, 595.66 feet to a point;

Thence continuing with said centerline, North 85°00'02" East, 2,244.79 feet to a point;

Thence continuing with said centerline, South 72°17'49" East, 1,184.28 feet to a point;

Thence continuing with said centerline; South 62°19'08" East, 644.85 feet to a point;

Architecture - Engineering  
Materials Testing - Surveying

237 North Main Street Sheridan, Wyoming 82801 (307) 672-1711 Fax: (307) 674-5014 cer@wavecom.net

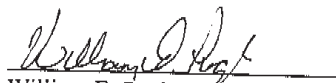
Offices in: Gillette and Douglas Wyoming

Thence continuing with said centerline, South 60°25'16" East, 2,552.67 feet to a point, said point being located South 81°35'47" East, 2,235.03 feet from the Southwest corner of said Section 33;

The total distance of the above described centerline is 12,040.95 feet.

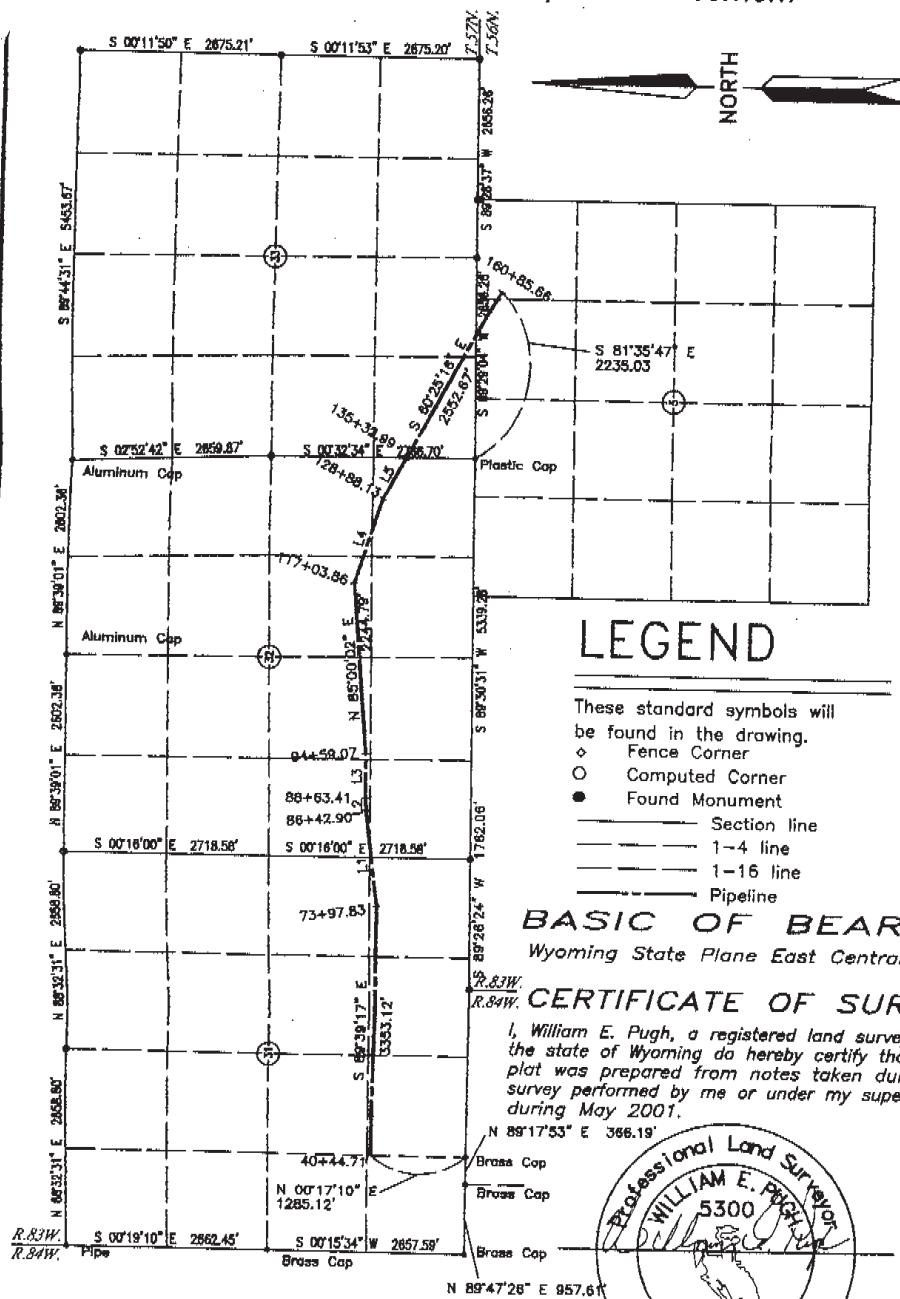
STATE OF WYOMING     )  
                                  ) ss.  
COUNTY OF SHERIDAN    )

I, WILLIAM E. PUGH do hereby certify that this description was prepared by me on the 8<sup>th</sup> day of June, 2000.

  
\_\_\_\_\_  
William E. Pugh  
Wyoming RLS 5300

01032-3.EAS

# Thirtyfive (35) Foot Pipeline Easement



UNLESS SIGNED, SEALED AND DATED  
THIS IS A PRELIMINARY PLAT.



Professional  
Consultants

Architecture  
•  
Engineering  
•  
Materials Testing  
•  
Surveying

237 North Main Street  
Sheridan, Wyoming 82801  
(307) 672-1711

DATE: 8 JUN 01

SCALE: 1"=1000'

PROJECT: 2001

OWNER: AC RANCH INC.

ADJ: 1

PIPELINE SURVEY FOR BITTER CREEK PIPELINE  
LOCATED ACROSS LANDS BELONGING TO THE  
AC RANCH INC.,  
SECTION 21, 22, 23, T 57 N, R 83 W, SHERIDAN COUNTY, WYOMING  
SECTION 2, T 58 N, R 83 W, SHERIDAN COUNTY, WYOMING

PROJECT NO.  
01032-3

SHEET NO.  
ONE