

RECORDED NOVEMBER 14, 2001 BK 428 PG 340 NO 392486 AUDREY KOLTISKA, COUNTY CLERK
SURFACE FACILITY GRANT

FOR AND IN CONSIDERATION of the sum of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency is hereby acknowledged, this 27th day of February, 2001, that the undersigned, hereby referred to as "GRANTOR", hereby grants, assigns and conveys unto BEAR PAW ENERGY, LLC, 1625 Broadway, Suite 2300, Denver, Colorado 80202, hereinafter referred to as "GRANTEE", its successors and assigns, a surface facility grant located upon a tract of land in Sheridan County, Wyoming, to-wit:

TOWNSHIP 57 NORTH, RANGE 83 WEST, 6th P.M.
Section 4: a tract of land located in W/2SE/4

See the attached Exhibit "A" for a more complete description and which by this reference is made a part hereof.

GRANTEE shall have the right to install, maintain, inspect, replace, erect, operate and remove compressor stations and other equipment and appurtenances as may be necessary for the operation of such facility over, through, upon, under, and across the above referenced lands from existing roads with the full right of ingress and egress to and from said premises.

IT IS MUTUALLY UNDERSTOOD AND AGREED BETWEEN THE PARTIES AS FOLLOWS:

1. GRANTEE agrees to comply with all applicable state and local regulations.
2. GRANTEE agrees to take reasonable effort to limit employee business invitee access to the facility and roadway access to the facility.
3. GRANTEE agrees to indemnify and hold GRANTOR harmless for any damages caused by GRANTEE'S operations on the premises.
4. Upon request by GRANTOR, the surface facility grant herein shall terminate and all rights hereunder revert to GRANTOR when the surface facilities located thereon have not been used by GRANTEE for a period of two (2) consecutive years, except when non-use is caused by acts or circumstances beyond the control of GRANTEE.
5. Upon termination of this grant, GRANTEE shall remove all structures placed upon the premises and restore the surface to a condition, as nearly as possible, as existed prior to the GRANTEE'S disturbances thereto.
6. GRANTEE shall adequately fence the facility in a manner to protect the GRANTOR'S livestock.
7. GRANTEE shall maintain the facility free of weeds and litter.
8. GRANTEE shall pay all damages from its operation, including, without limitation, damages or injuries to livestock, persons, personal property and real property

This agreement shall be binding upon the parties hereto, their heirs, assigns and successors and may be executed in any number of counterparts, each of which shall be deemed an original for all purposes.

This Surface Facility Grant supercedes and replaces that certain Easement for Compressor Site by and between Anna Pilch, Individually and as Trustee of the Anna Pilch Agreement of Trust dated July 23, 1985, as Grantor and J.M. Huber Corporation, as Grantee dated the 18th day of December, 1999.

IN WITNESS WHEREOF, GRANTOR AND GRANTEE have executed this agreement the date first written above.

GRANTOR

PILCH RANCH, LLC

PILCH RANCH, LLC

By:

Anna Pilch
Anna Pilch, Member and Individually and as
Trustee of the Anna Pilch Agreement of Trust,
dated July 23, 1985

By:

Edward S. Pilch
Edward S. Pilch, Member

PILCH RANCH, LLC

PILCH RANCH, LLC

By:

Marilyn Pilch Wolter
Marilyn Pilch Wolter, Member

By:

Joe A. Pilch
Joe A. Pilch, Member

GRANTEE

BEAR PAW ENERGY, LLC

By:

Michael R. Henderson
Michael R. Henderson
Executive Vice President

rich

STATE OF WYOMING)
) §
COUNTY OF SHERIDAN)

The foregoing instrument was acknowledged before me this 27th day of February, 2001, by Anna Pilch, Member of Pilch Ranch, LLC and individually and as Trustee of the Anna Pilch Agreement of Trust, dated July 23, 1985.

Witness my hand and official seal.

My Commission Expires:

Oct. 13, 2004

Jennifer K. Green
Notary Public



STATE OF WYOMING)
) §
COUNTY OF SHERIDAN)

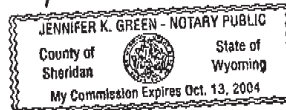
The foregoing instrument was acknowledged before me this 27th day of February, 2001, by Edward S. Pilch, Member of Pilch Ranch.

Witness my hand and official seal.

My Commission Expires:

Oct. 13, 2004

Jennifer K. Green
Notary Public



STATE OF WYOMING)
) §
COUNTY OF SHERIDAN)

The foregoing instrument was acknowledged before me this 27th day of February, 2001, by Joe A. Pilch, Member of Pilch Ranch.

Witness my hand and official seal.

My Commission Expires:

Oct. 13, 2004

Jennifer K. Green
Notary Public



STATE OF Wyoming)
) §
COUNTY OF Sheridan)

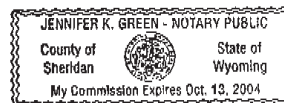
The foregoing instrument was acknowledged before me this 27th day of February, 2001, by Marilyn Pilch Wolter, Member of Pilch Ranch, LLC.

Witness my hand and official seal.

My Commission Expires:

Oct. 13, 2004

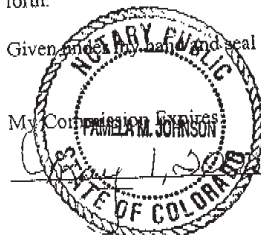
Jennifer K. Green
Notary Public



STATE OF COLORADO)
) §
CITY AND)
COUNTY OF DENVER)

The foregoing instrument was acknowledged before me this 22nd day of February, 2001, by Michael R. Henderson, known to me to be the Executive Vice President of Bear Paw Energy, LLC, a Delaware limited liability company and acknowledged to me that he executed this Surface Facility Grant for the considerations and purposes therein set forth.

Given under my hand and seal of office this 22nd day of February, 2001.



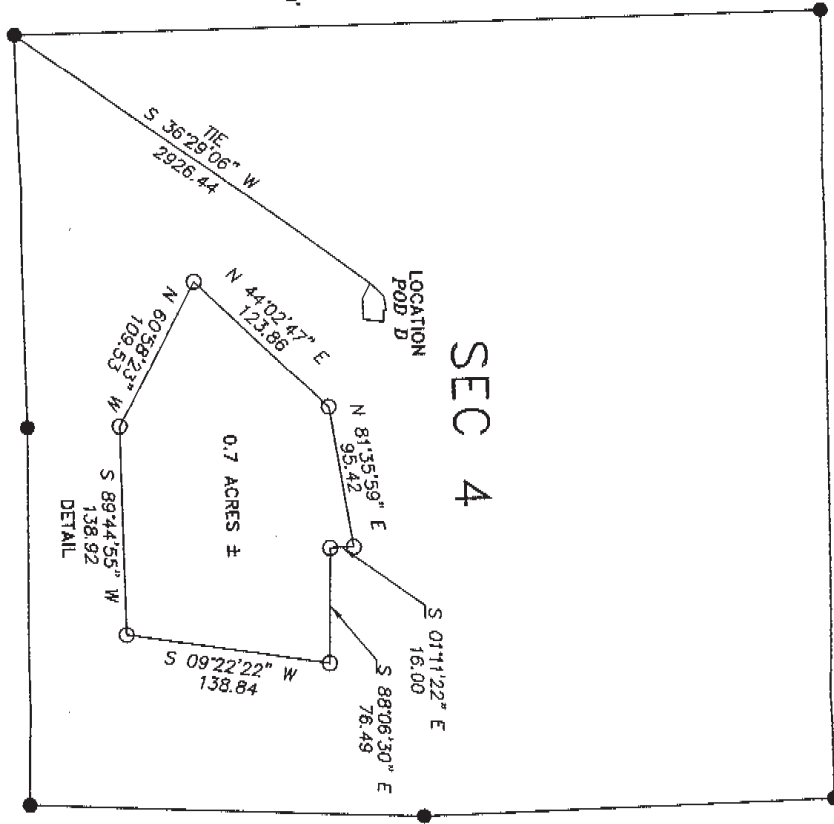
My Commission Expires

Oct. 1, 2003

Pamela M. Johnson
Notary Public

Exhibit "A"
to
Surface Facility Grant dated February 27, 2001
between
Pilh Ranch, LLC and Bear Paw Energy, LLC

Scale 1" = 1000'



- Found monument set by others
 - Boundary corner set with rebar and 1 1/4" Aluminum Cap
- Apparent recorded ownership : Pilh Ranch LLC

SEC 4

LEGAL DESCRIPTION
POD "D" BOUNDARY

A parcel of land being a part of the Southwest 1/4 of Section 4, 157N, R83W, 6th Principal Meridian, Sheridan County, Wyoming, and being more particularly described as follows:
Beginning of the West corner of Pod D, being the point of beginning, from which the Southwest corner of Section 4, 157N, R83W, bears S36°29'06" W a distance of 2926.44 feet:
thence: N44°02'47" E, 123.86 feet, to a point;
thence: N81°35'59" E, 95.42 feet, to a point;
thence: S01°11'22" E, 16.00 feet, to a point;
thence: S88°06'30" E, 76.49 feet, to a point;
thence: S09°22'22" W, 138.84 feet, to a point;
thence: S89°44'55" W, 138.92 feet, to a point;
thence: N60°58'23" W, 108.53 feet, to the point of beginning.
Solid parcel contains 0.7 Acres more or less.
Basis of bearing taken from Grid azimuths using GPS observations. Based on NAD 1983 State Plane Coordinates, Wyoming East Central Zone.

SURVEYOR'S CERTIFICATE

STATE OF WYOMING }
COUNTY OF NATRONA } SS

I, MAYNARD JOHNSON, state that I am by occupation a registered land surveyor employed by Bear Paw Energy Inc., to make the survey of this right of way as shown on this map, and that the survey of said work was made by me and/or personnel under my direct supervision, and that such survey is, to the best of my knowledge and belief, accurately represented on this map.



POD "D" AREA BOUNDARY
SW 1/4 SECTION 4, T 37 N, R 83 W

Bear Paw Energy, LLC.
856 Coffeen Avenue
Sheridan, WY 82801

Prepared by William H. Smith & Assoc. P.C., Surveying Consultants, Green River, Wyoming

~SEAL~ Date: 7/02/2001 By: TLW Job no. 200019