

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 23 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 3: A tract of land located in the SW/4NW/4

Section 4: A tract of land located in the SE/4NE/4

Containing approximately two (2) acres more or less

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 13th day of November, 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, Member

By: Joe A. Pilch
Joe A. Pilch, Member

GRANTEE

BEAR PAW ENERGY, LLC

By: Michael R. Henderson
Michael R. Henderson
Executive Vice President