RECORDED MAY 9, 2002 BK 434 PG 49 NO 407514 AUDREY KOLTISKA, COUNTY CLERK

RIGHT OF WAY AGREEMENT

KNOW ALL MEN BY THESE PRESENTS: that the undersigned, PILCH RANCH, LLC, a Wyoming limited liability company, (hereinafter referred to as "OWNER", whether one or more) and whose members consist exclusively of: Anna Pilch, individually and as Trustee of the Anna Pilch Trust Dated 7/23/ 1985; Edward S. Pilch; Joe A. Pilch; and Marilyn Pilch Wolter, for and in consideration of Ten and More Dollars (\$10.00+) in hand paid, the receipt of which is hereby acknowledged, does hereby grant, sell and convey unto BEAR PAW ENERGY, LLC, 1625 Broadway, Suite 2300, Denver, Colorado 80202, its successors and assigns (hereinafter referred to as "COMPANY") a right of way and easement Fifty feet (50') in width for the purpose of laying, constructing, maintaining, operating, replacing and removing gas pipeline(s) (with fittings cathodic protection equipment and all appliances appurtenant thereto) for the transportation of oil, gas or any other liquids or substances for COMPANY'S operations across lands of OWNER, situated in the County of Sheridan. State of Wyoming, described as follows:

Township 57 North Range 83 West Section 10: E2W2

OWNER recognizes that an as built plat, subsequent to survey, is attached hereto and recorded as Exhibit "A".

COMPANY shall bury the top of its pipe at least forty-eight inches (48") below the surface of the ground. The undersigned OWNER, his successors, heirs or assigns, reserves all oil, gas and minerals on and under said lands and the right to farm, graze and otherwise fully use and enjoy said lands, provided, however, that COMPANY shall have the right hereafter to cut and keep clear all trees, brush, and other obstructions that may injure, endanger or interfere with the construction and use of said pipeline, or fittings, tie-overs, cathodic protection equipment and appliances appurtenant thereto. COMPANY shall have all privileges necessary or convenient for the full use of the rights herein granted, together with ingress or egress along with pipelines and over and across said lands. COMPANY, by acceptance hereof, agrees to pay for actual damages to crops, pasture, fences and timber which may arise from laying, construction, maintaining, operating, replacing, or removing said pipeline(s).

COMPANY agrees to comply with all applicable state and local regulations.

COMPANY shall indemnify, defend and save and hold harmless OWNER from any and all claims, demands, causes of action, or liability for damages, loss or injuries that arise out of COMPANY'S operations on the land.

COMPANY shall restore the land as soon as practicable after the pipelines are completed. Restoration shall be made as near as possible to the condition when COMPANY first entered onto the land.

OWNER hereby warrants and agrees to defend the title to the above-described premises. OWNER shall have the use of such right of way and easement except for any use which conflicts with the purposes for which this right of way and easement is granted; provided, however, OWNER shall not build or construct nor permit to be built or constructed any building or other improvement over or across said right of way and easement.

TO HAVE AND TO HOLD said right of way and easement unto said COMPANY, its successors and assigns, until such pipelines are constructed and so long thereafter as a pipeline is maintained thereon, and the undersigned hereby bind themselves, their heirs, executors, administrators, successors and assigns, against every person whomsoever lawfully claiming or to claim the same, or any part thereof.

Executed this 18tb day of May, 2001.

COMPANY:

PAW ENERGY, LLC

OWNER:

PILCH RANCH, LLC

BY: MARILYN PILCH WOLTER, member, appearing herein through JOE A. PILCH, her Attorney-in-Fact, under that Limited Power of Attorney dated February 26, 2001, and Recorded in Miscellaneous Book 22, Page 56, instrument Number 368961, of the Records of Sheridan County, WY.

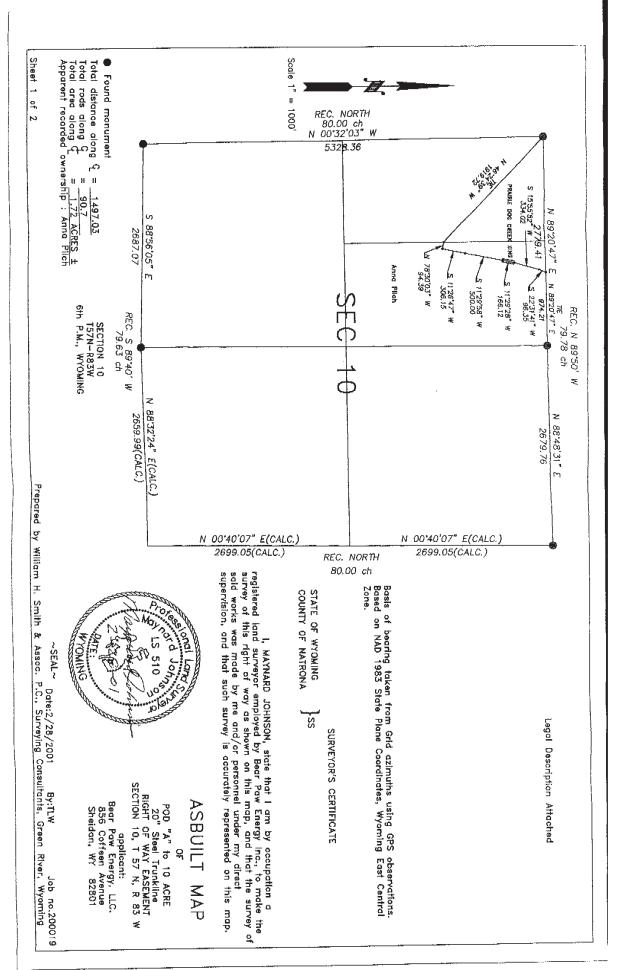
JOE A. PILCH, Attorney-in-Fact For Marilyn Pilch Wolter, member JOE A. PILCH, member

EDDIE S. PILCH, membe

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

ACKNOWLEDGEMENT

STATE OF WYOMING)) ss.		
COUNTY OF SHERIDAN)		
The foregoing instrument was acknowledged before me this 18th day of May, 2001, by Anna Pilch, Individually and as Trustee of the Anna Pilch Agreement of Trust, dated July 23, 1985, member of Pilch Ranch, LLC.		
Witness my hand and official sea	1.	Pontary Public
My commission expires:	Stober 13, 2004	JENNIFER K. GREEN - NOTARY PUBLIC County of State of Sheridan Wyoming My Commission Expires Oct. 13, 2004
STATE OF WYOMING)		
) 88. COUNTY OF SHERIDAN)		
The foregoing instrument was acknowledged before me this 18th day of May, 2001, by Edward S. Pilch, member of Pilch Ranch, LLC.		
Witness my hand and official sea	al.	Notary Public Spream
My commission expires:	htpber 13, 2004.	JENNIFER K. GREEN - NOTARY PUBLIC County of State of Sheridan Wyoming My Commission Expires Oct. 13, 2004
STATE OF WYOMING)) ss.		my Commission express dec. 14, 600-
COUNTY OF SHERIDAN)		
The foregoing instrument was acknowledged before me this 18th day of May, 2001, by Joe A. Pilch, member of Pilch Ranch, LLC.		
Witness my hand and official so	eal.	Notary Public
My commission expires:	Verbber 13, 2004	JENNIFER K. GREEN - NOTARY PUBLIC County of State of Wyoming Wyoming
STATE OF WYOMING)		My Commission Expires Oct. 13, 2004
COUNTY OF SHERIDAN)		
The foregoing instrument was acknowledged before me this 18th day of May, 2001, by Joe A. Pilch, as Attorney-in-Fact on behalf of Marilyn Pilch Wolter, member of Pilch Ranch, LLC.		
Witness my hand and official s	eal.	Notary Public / Trans
My commission expires:		JENNIFER K. GREEN - NOTARY PUBLIC County of State of Sheridan Wyoming My Commission Expires Oct. 13, 2004
ACKNOWLEDGEMENT		
STATE OF <u>COLOR AT</u>	> <u>></u>) ss)	ant Man Dierce H
The foregoing instrument was acknowledged before me this 24 day of May, 2001, by Prese H \[\lambda \tau \tau \tau \tau \tau \tau \tau \ta		
My commission expires:	POP X Ito est my hand and a	Affixed by notarial seal the day and year last above written. Adduction like the NOTARY PUBLIC
COLO		



LEGAL DESCRIPTION
TO ACCOMPANY MAP OF
POD "A" TO 10 ACRE
20" STEEL TRUNKLINE
RIGHT-OF-WAY EASEMENT
SECTION 10, T 57 N, R 83 W

A strip of land for the purpose of right of way located in Section 10, T 57 N, R 83 W of the Sixth Principal Meridian, Sheridan County, Wyoming. Right of Way is 50 feet in width 25 feet on either side of the following described centerline:

Beginning at a point(Sta. 79+03.20) on the North line of Section 10 T57N, R83W, from which the North 1/4 corner of Section 10 T57N, R83W bears N89*20*47"E, a distance of 974.21 feet:

thence: S22°31'41"W, along said pipeline centerline 96.35 feet, to a point(Sta. 79+99.55):

thence: S15'55'52"W, along said pipeline centerline 334.02 feet, to a point(Sta. 83+33.57);

thence: S11*29'28"W, along said pipeline centerline 166.12 feet, to a point(Sta. 84+99.69):

thence: S11*29'58"W, along said pipeline centerline 500.00 feet, to a point(Sta. 89+99.69):

thence: S11*26'47"W, along said pipeline centerline 306.15 feet, to a point(Sta. 93+05.84):

thence: N78"30'03"W, along said pipeline centerline 94.39 feet, to a point(Sta. 94+00.23), on the apparent property line between Anna Pilch and LPD Ranch Partnership, from which the Northwest corner of Section 10 T57N, R83W bears N46"24'39"W a distance of 1919.72 feet.

Said right of way is 1497.03 feet in length, or 90.7 rods, and contains 1.72 acres \pm . Basis of bearing taken from Grid azimuths using GPS observation. Based on NAD 1983 State Plane Coordinates, Wyoming East Central Zone.

ASBUILT

LEGAL DESCRIPTION
TO ACCOMPANY MAP OF
POD "A" TO 10 ACRE
20" STEEL TRUNKLINE
RIGHT OF WAY EASEMENT
SECTION 10, T 57 N, R 83 W

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

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