

Don C. Malli
Damage
SURFACE LEASE AGREEMENT

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This Surface Lease Agreement (this "Agreement") is entered into as of this 24 day of March, 2000 ("Effective Date"), by and between Don C. Malli and Betty Ann Malli H&W of P.O. Box 166 Arvada, WY. 82831 ("Lessor") and Big Horn Gas Gathering L.L.C., an Oklahoma limited liability company of 1437 South Boulder, Suite 1250, Tulsa, Oklahoma 74119 ("Lessee").

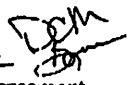
Recitals:

A. Lessor is the owner of a one acre tract of land within the SE1/4, Section 32, Township 55 North, Range 76 West, Sheridan County, Wyoming that is more fully described on Exhibit "A" attached to and made a part of this Agreement (the "Leased Premises").

B. Lessee desires to lease from Lessor and Lessor desires to lease to Lessee the Leased Premises for Lessee's use in connection with the operation of a gas gathering pipelines owned and operated by Lessee and on the terms and conditions provided for in this Agreement.

NOW THEREFORE, in consideration of the premises, the mutual benefits to be realized, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Lessor and Lessee agree as follows:

1. **Lease: Use of Leased Premises** Lessor does hereby grant, demise, lease, let and convey unto Lessee the Leased Premises, for the term hereinafter provided, for the purpose of constructing, installing, erecting, maintaining, operating, altering, replacing and removing any and all facilities, equipment, buildings, storage facilities or other improvements (collectively "Facilities") necessary or desirable for the use of, operation and maintenance of the gas gathering pipelines, including, without limitation, compressors, compressor housing, dehydration units, metering equipment and associated facilities and pigging stations including all appurtenances, fixtures or other equipment necessary or incidental to any such Facilities. Lessee shall have the right, at all times, to lay, construct and maintain pipelines, roadways, fences, electric lines and other utilities over and across the Leased Premises, as necessary or convenient in the conduct of its operations, including the right to remove trees, undergrowth or other obstacles. Lessor hereby warrants Lessee's quiet, peaceful, exclusive and undisturbed possession of the Leased Premises and that there are no other leases or agreements concerning the leasing or occupancy of the Leased Premises.
2. **Lease Term; Rent** The initial term of this Agreement shall be Three (3) years from the Effective Date unless sooner terminated by Lessee and shall automatically continue for an unlimited number of successive Three (3) year terms (each a "Renewal Term") unless sooner terminated by Lessee (acting in its sole discretion). The rent for the entire initial three (3) year term, the amount of which is specified in an unrecorded addendum to this Agreement bearing the same date, has been paid in advance and, by execution of this Agreement, Lessor acknowledges receipt of same. Should Lessee elect to renew this Agreement, the rent for each successive three (3) year Renewal Term which is specified in the unrecorded addendum to this Agreement shall be payable in advance. Lessee may unilaterally terminate this agreement at any time without notice to Lessor by filing a release in the public records, provided, however, that Lessor shall have no obligation to reimburse the Lessee for any rent attributable to the unexpired term. Further, Lessor expressly authorizes Lessee, as Lessor's attorney-in-fact solely for this purpose, to unilaterally record a release of the Agreement on behalf of Lessor in the appropriate public records.
3. **Payment Default** In the event of default by Lessee in the payment of any rent due hereunder, Lessor shall notify Lessee in writing, and Lessee shall have twenty (20) business days after receipt of such notification within which to cure such default and make the required payment. Waiver of any default shall not be deemed a waiver of subsequent defaults, but notice thereof shall be given by Lessor to Lessee as herein provided.

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4. Limitation of Consequential Damages. Neither Grantor nor Grantee shall be liable for consequential, incidental, punitive, exemplary or indirect damages in tort or in contract, or under any legal theory, and all such damages are hereby excluded from this Agreement and waived by the parties.
5. Grant of Easement. Lessor grants to Lessee an easement over and across Lessor's adjoining lands for ingress and egress to the Leased Premises from public roadways, the location of such right of way is described on Exhibit "A" attached hereto.
6. Assignment. Lessee shall have the right to assign this Agreement in whole or in part while this agreement is in effect, any conveyance by Lessor, of the lands upon which the Leased Premises are located shall be made expressly subject to all of the terms and conditions of this Agreement. This Agreement shall be binding upon, burden and run with the lands upon which the Leased Premises are located.
7. Right and Obligations Upon Termination. Except as otherwise provided, all property and improvements of whatever nature or kind owned or placed on the Leased Premises by Lessee shall be and remain the personal property of Lessee, shall not for any reason be deemed fixtures on the Leased Premises, and Lessee shall have the right to sever and remove same at any time during and within ninety (90) days after termination of this Agreement; provided, however, that Lessee shall not be obligated to sever or remove any such property or improvements buried below ground level. At Lessor's option, any buildings constructed on the Leased Premises by Lessee under this Agreement shall remain and become the property of Lessor. Upon termination of this Agreement, and removal of the property and improvements of Lessee as provided for in this paragraph, Lessee shall employ reasonable efforts to restore the surface of the Leased Premises to their original condition to the extent practically possible.
8. Fire. Lessee will compensate Lessor for all damages due to fire, as a direct result of Lessee's activities.
9. Fences. All fences installed or constructed around Leased Premises shall be properly maintained by Lessee.
10. Weeds. Noxious weeds will be controlled on the Leased Premises by Lessee.
11. Topsoil. Any topsoil removed during construction will be stockpiled and reseeded for future use by Lessee.
12. Permits. Lessee shall be responsible for obtaining necessary permits and compliance with all governmental permits and regulations concerning the construction and operations of the Leased Premises.
13. Environmental Clause. Lessee agrees to indemnify and holds Lessor harmless from any environmental contamination caused by the installation, operation or removal of facilities on the Leased Premises.
14. Entire Agreement. This Agreement, and the addendum to this Agreement of the same date, constitutes the entire agreement between Lessor and Lessee as to the subject matter covered by this Agreement. No amendment or modification of this Agreement shall be effective unless agreed to in writing by both parties. This Agreement shall be governed by Wyoming law and shall be binding upon the successors and assigns of each party hereto.

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In Witness Whereof, Lessor and Lessee have executed these presents as of the Effective Date.

LESSORS:

Don C. Malli

Betty Ann Malli

STATE OF Wyoming)
COUNTY OF Campbell) ss

The foregoing instrument was acknowledged before me this 24 day of March, 2000 by
Don C. and Betty Ann Malli

Witness my hand and official seal.

Dalene McGovern Notary Public
Dalene McGovern

My commission expires: April 20, 2000

LIEN HOLDER'S CONSENT

(If a mortgage or lien exists against Grantor's lands on which the Surface Lease Agreement is located):

The undersigned lien holder or mortgagee on the lands of the Grantor described, hereby grant his (or its) consent and approval to the grant of the Surface Lease Agreement, and the full use and exercise thereof, and further agrees to subordinate such mortgage or lien, and interests therein, to the right-of-way and Grantee's rights created hereby.

Date of Recording of Lien: _____
at Book _____ Page _____

EXECUTED this 28 day of MARCH, 2000

John A. Matthews, Jr.

SS# or EIN #

452-76-1585

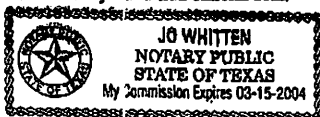
STATE OF Texas)

COUNTY OF TONGREEN)

ss.

The foregoing instrument was acknowledged before me this 28 day of March, 2000 by,

Witness my hand and official seal.



My commission expires. _____

Jo Whitten
Notary Public
Jo Whitten

