

**MEMORANDUM OF SURFACE
AND DAMAGE AGREEMENT**

KNOW ALL MEN BY THESE PRESENTS:

Scott A. Lamb, John K. Lamb and Nancy L. Lamb, whose address is 82 Taylor Road, Sheridan, Wyoming 82801 and J.M. Huber Corporation, a New Jersey corporation, with offices located at 1050 17th Street, Suite 700, Denver, CO 80202 ("Huber"), have entered into that certain Surface and Damage Agreement dated December 31st, 2003 (the "Agreement") covering the following real property located in Sheridan County, Wyoming:

Township 57 North Range 83 West, Sheridan, County, Wyoming

Section 11: Beginning at the SE corner of said NW/4NW/4 of Section 11, thence N89°12'15"W, 300.26 feet; thence N36°15'51"W, 337.33 feet; thence N23°21'39"W, 315.71 feet; thence N7°45'30"E, 218.13 feet to the center of a road; thence along the center of said road N6°36'06"E, 794.42 feet to a point in the center of a County road; thence leaving said road N84°27'27"E, 395.1 feet; thence S87°59'24"E, 1169.62 feet; thence S7°26'30"E, 197.45 feet; thence S52°42'06"E, 216.94 feet; thence S2°02'36"E, 546.62 feet; thence S31°25'05"E, 867.92 feet; thence N88°27'58"W, 1703.66 feet to the point of beginning.

Section 14: A tract of land located in the N/2NW/4 of said Section 14; Township 57 North, Range 83 West, 6th P.M., Sheridan County, Wyoming, described as follows:

Beginning at the SE corner of the NW/4NW/4 of said Section 14; thence N89°12'15"W, 300.26 feet; thence N36°15'51"W, 337.33 feet; thence N23°21'39"W, 315.71 feet; thence N7°45'30"E, 218.13 feet to the center of a road; thence along said center of road, S41°58'20"E, 920.61 feet; thence S2°49'20"E, 98.47 feet; thence N88°27'58"W, 25.03 feet to the point of beginning. Said tract contains 4.81 acres more or less.

And including a 25 foot road easement lying right of the following described line:

Beginning at a point located S88°27'58"E, 25.03 feet from the SE corner of said NW/4NW/4; thence N2°49'20"W, 98.47 feet; thence N41°58'20"W, 920.61 feet; thence N6°36'06"E, 794.42 feet to a point in a county road, the point of ending.

(the "Lands").

Huber owns oil and gas leases which also cover the Lands. Pursuant to those leases Huber conducts coalbed methane exploration, development and production operations on the Lands. Pursuant to the Agreement Scott A. Lamb, John K. Lamb and Nancy L. Lamb and Huber have agreed upon, among other things, the damages to be paid by Huber arising from its use of the surface of the Lands and the manner of locating wells for the production of coalbed methane and the locating of roads, pipelines, power lines and surface equipment related to such wells.

This Memorandum is executed by Scott A. Lamb, John K. Lamb and Nancy L. Lamb and Huber and recorded in Sheridan County, Wyoming to serve as notice of the existence of the Agreement. Scott A. Lamb, John K. Lamb and Nancy L. Lamb and Huber each acknowledges it is bound by all the terms and conditions of the Agreement.

A complete copy of the Agreement is maintained at the offices of Huber at the address above. Any person desiring to deal with the Lands may contact Huber to information as to all of the terms of the Agreement.

In witness whereof, the parties have executed this Memorandum of Surface and Damage Agreement effective as of December 31st, 2003.

OWNERS.

By: Scott A. Lamb
 Scott A. Lamb

By: John K. Lamb
 John K. Lamb

By: Nancy L. Lamb
 Nancy L. Lamb

J.M. HUBER CORPORATION

By: Keith Knapstad
 Keith Knapstad
 Powder River Basin Asset Team Leader

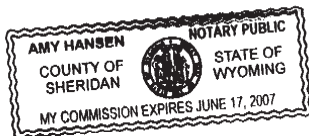
STATE OF WYOMING)

COUNTY OF SHERIDAN)

ss.

The foregoing instrument was acknowledged before me this 7th day of Jan., 2004, by
Scott A. Lamb, John K. Lamb and Nancy L. Lamb

Witness my hand and official seal.



Amy Hansen
 Notary Public
 My commission expires: 6/17/07

STATE OF WYOMING)

COUNTY OF SHERIDAN)

ss.

The foregoing instrument was acknowledged before me this ____ day of _____, 2004, by

Witness my hand and official seal.

 Notary Public

My commission expires: _____

STATE OF WYOMING
COUNTY OF SHERIDAN

)
) ss.
)

The foregoing instrument was acknowledged before me this _____ day of _____, 2004, by

Witness my hand and official seal.

Notary Public

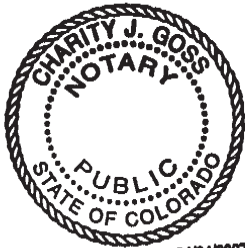
My commission expires: _____

STATE OF COLORADO
CITY & COUNTY OF DENVER

)
) ss.
)

The foregoing instrument was acknowledged before me this 12th day of January, 2004,
by Keith Knapstad, PRB Asset Team of J.M. Huber Corporation, a New Jersey corporation.
Leader,

Witness my hand and official seal.



My Commission Expires 04/04/2007

Charity J Goss

Notary Public
1050 17th Street, Suite 700
Denver, CO 80202
My commission expires: 4/4/2007