

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 of which is hereby acknowledged this 25th day of September, 2000, that the undersigned, hereby referred to as "GRANTOR", hereby grants, assigns and conveys unto BEAR PAW ENERGY, LLC, 370 Seventeenth Street, Suite 2775, Denver, Colorado 80202-1390, 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:

A three (3) acre tract of land, more or less, and being located in the E2NE of Section 20, Township 57 North-Range 83 West, and as more particularly described on the attached Exhibit "A", which is incorporated by reference herein.

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 granted shall terminate and all rights thereunder revert to GRANTOR when the surface facilities located thereon have not been used by GRANTEE for a period of two (2) year(s), 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, successors and assigns and may be executed in any number of counterparts, each of which will be deemed an original for all purposes.

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

GRANTOR:
Eva C. Taylor

Eva C. Taylor
Eva C. Taylor
285 Pinehurst Trace Drive
Pinehurst, NC 28374

GRANTEE:
BEAR PAW ENERGY, LLC

By: [Signature]
Don H. Littleton, as agent

ECT

ACKNOWLEDGEMENT

STATE OF NORTH CAROLINA)
COUNTY OF Brunswick) ss.

On this 29 day of Sept, 2000, before me personally appeared Eva C. Taylor, known to me to be the person(s) who is/are described in and who executed the within and foregoing instrument, and acknowledged to me that he/she/they executed the same.

[Signature]
NOTARY PUBLIC

My commission expires:
Nov 17, 2001

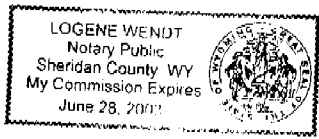
ACKNOWLEDGEMENT

STATE OF Wyoming)
COUNTY OF Sheridan) ss.

On this 4th day of October, 2000, before me personally appeared Don H. Littleton, known to me to be the person(s) who is/are described in and who executed the within and foregoing instrument, and acknowledged to me that he/she/they executed the same.

[Signature]
NOTARY PUBLIC

My commission expires:
June 28, 2003



420

- Found monument set by others
- Set 5/8" rebar and 1 1/4" Aluminum Cop

Apparent recorded ownership : Eva C. Taylor

Scale 1" = 1000'



REC. NORTH
80.00 ch
N 00°37'59" E
5364.06

S 89°35'44" W
2589.83

REC. S 89°47' W
79.92 ch

S 88°46'33" W
2644.69

REC. S 89°46' W
80.19 ch

S 89°43'48" W
2782.04

N 00°15'09" W
2657.89

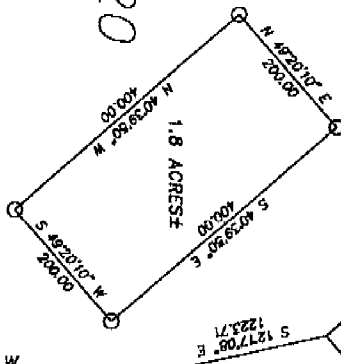
REC. NORTH
80.00 ch

SEC 20

EVA C. TAYLOR LOCATION

POD J

DETAIL



LEGAL DESCRIPTION
POD "J" BOUNDARY

A parcel of land being a part of the Northwest 1/4 of Section 20, T57N, R83W of the Sixth Principal Meridian, Sheridan County, Wyoming, and being more particularly described as follows:

Beginning at Southwest corner of Pod J, being the point of beginning, from which the East 1/4 corner of Section 20 T57N, R83W, bears S12°17'08" E a distance of 1223.71 feet;

thence N40°39'50" W, 400.00 feet, to a point;

thence N49°20'10" E, 200.00 feet, to a point;

thence S40°39'50" E, 400.00 feet, to a point;

thence S49°20'10" W, 200.00 feet, to the point of beginning.

Said parcel contains 1.8 Acres more or less.

Be it further taken from GNS azimuths using GPS observations. Based on NAD 1983 State Plane Coordinates, Wyoming East Central Zone.

STATE OF WYOMING
COUNTY OF NATRONA

SURVEYOR'S CERTIFICATE

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 parcel 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 "J" AREA BOUNDARY
NW 1/4 SECTION 20, T 57 N, R 83 W
Applicant:
Bear Paw Energy, LLC.
855 Corfeen Avenue
Sheridan, WY 82801

Prepared by William H. Smith & Assoc. P.C., Surveying Consultants, Green River, Wyoming
Date: 10/06/2001 By: TLW Job no: 200019