

**STATE OF WYOMING
GRANT OF EASEMENT
Easement No. 6457**

PRECorp. # 405/406

WHEREAS the Board of Land Commissioners approved this grant of easement on April 12, 2001; THEREFORE, the State of Wyoming, acting through its Board of Land Commissioners (Grantor), for and in consideration of the payment of Two thousand one hundred seventy-five and no/100 dollars (\$2,175.00) hereby grants and conveys to Powder River Energy Corporation (Grantee), to use for the term of 35 years, in the following described tract of land for power line purposes only, more particularly described as follows:

Parcel 1

All that portion of the N $\frac{1}{2}$ of Section 17, T.56N., R.83W., of the 6th P.M., Sheridan County, Wyoming, lying between parallel right of way lines 30 feet apart, being 15 feet on each side when measured at right angles as described on the attached exhibits. The described parcel of land contains 1.28 acres, more or less.

Parcel 2

All that portion of the SW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 18, T.56N., R.83W., of the 6th P.M., Sheridan County, Wyoming, laying between parallel right of way lines 30 feet apart, being 15 feet on each side when measured at right angles as described on the attached exhibits. The described parcel of land contains 1.28

See attached exhibits A, B, & C

These descriptions are based on a survey done by and under the authority of Clarence W. Moshier, Jr, Wyoming PLS No. 8255, in June of 2001.

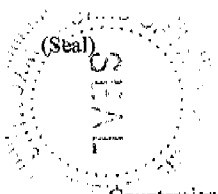
The above described tract being more specifically shown on a plat filed in the Office of State Lands & Investments.

TO HAVE AND TO HOLD this easement across the above described tract of land for the purpose of locating, constructing, using, maintaining, improving, and repairing the above described power line, subject to the following conditions:

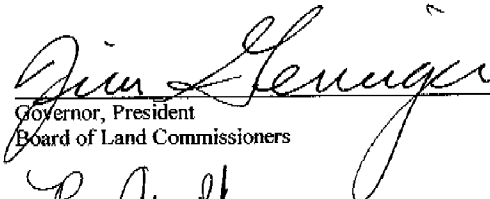
1. The rights granted herein shall forever be subject to the rights of the State of Wyoming, its assigns or lessees to explore for, develop, and extract any and all minerals or other subsurface resources beneath this easement. If required for mineral exploration, development or extraction, the grantee shall, upon written notice from the grantor, remove or relocate at its own expense the above described power line.
2. Upon abandonment or discontinuance of use of this easement for the purposes specified above, all of grantee's rights under this grant of easement shall revert to the State of Wyoming or its assigns, the same as if this grant had never been made. Failure to report, to the grantor, the status of the use of this easement every ten years from the date of this grant shall be evidence of intent by the grantee to abandon this easement. Should this easement be abandoned by the grantee, the above described tract of land shall be returned to a condition satisfactory to the landowner.
3. This easement may be transferred, however, no transfer may increase the burden on the servient estate in any manner.
4. Any transfer of ownership of this easement, or any change of name or mailing address of the owner of this easement, shall be reported to the grantor within thirty (30) days of the transfer or change.

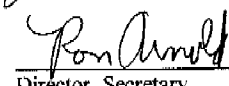
The State of Wyoming and the Board of Land Commissioners do not waive their sovereign immunity by entering into this agreement and specifically retain immunity and all defenses available to them as sovereigns pursuant to Wyo. Stat. § 1-39-104(a) and all other law.

IN TESTIMONY WHEREOF, the Board of Land Commissioners has caused this instrument to be signed by its President and countersigned by its Secretary, and its seal be affixed on the 12th day of April, 2002.



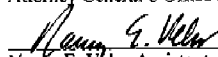
Countersigned:




Governor, President
Board of Land Commissioners


Director, Secretary
Office of State Lands & Investments

Attorney General's Office Approval as to Form:



Nancy E. Vehr, Assistant Attorney General

 Examined

NO 1777

(2699)

"EXHIBIT A"

State of Wyoming
Easement No. 6457
Exhibit A

State of Wyoming

T56N, R83W, 6th P.M., Sheridan County, Wyoming

SECTION 18; SWSW

SECTION 17; NENE

Beginning at the SW corner of Section 18, T56W, R83W, Sheridan County, Wyoming, (POINT OF BEGINNING #1); thence bearing approximately N00°01'W at an approximate distance of 28', where Powder River Energy Corporation's new double circuit overhead power line enters State of Wyoming's property (TRUE POINT OF BEGINNING #1).

The new three-phase double circuit overhead power line continues at this point bearing approximately S89°20'E for an approximate distance of 895'; thence bearing approximately N28°53'E for an approximate distance of 762'; where it leaves State of Wyoming property (POINT OF ENDING #1), this point being located on an approximate bearing of N61°44'E at an approximate distance of 1,435' from the SW corner Section 18.

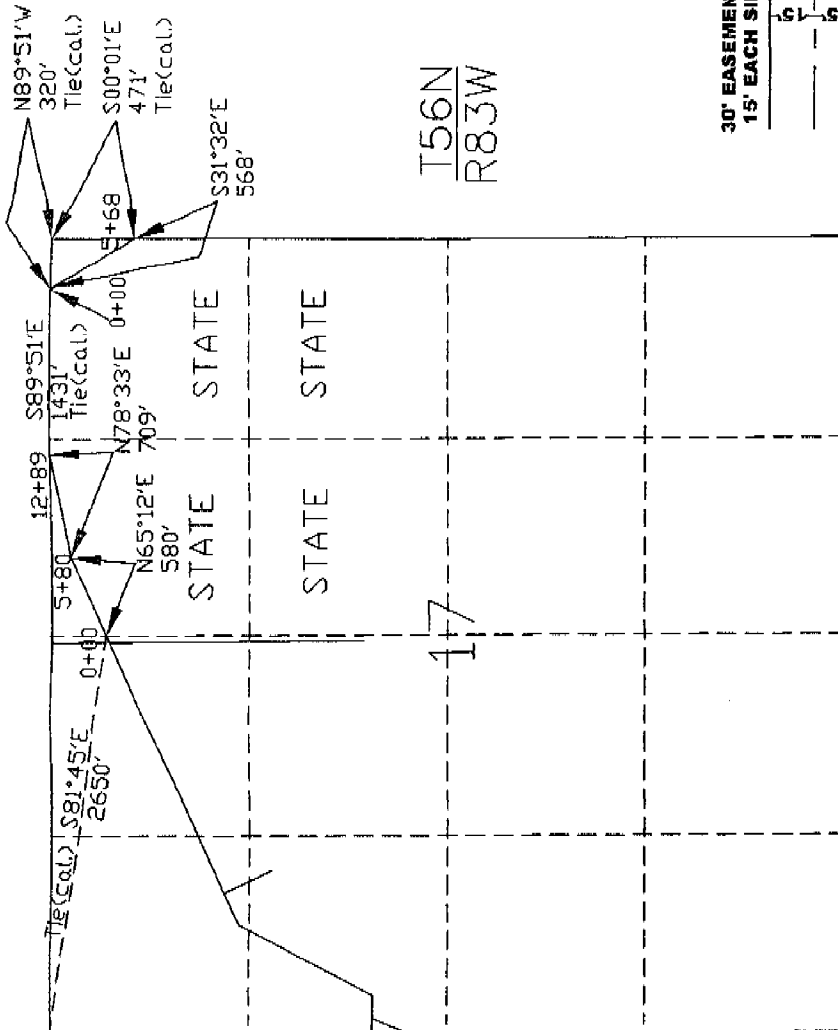
Beginning at the NW corner of Section 17, T56W, R83W, Sheridan County, Wyoming, (POINT OF BEGINNING #2); thence bearing approximately S81°45'E at an approximate distance of 2,650', where Powder River Energy Corporation's three phase overhead power line enters State of Wyoming property (TRUE POINT OF BEGINNING #2).

The three phase double circuit overhead power line continues from this point bearing approximately N65°12'E for an approximate distance of 580'; thence bearing approximately N78°33'E for an approximate distance of 709', where it leaves State of Wyoming property (POINT OF ENDING #2) this point being located on an approximate bearing of S89°51'E and at an approximate distance of 1431' from the NE corner Section 17.

Beginning at the NE corner of Section 17, T56W, R83W, Sheridan County, Wyoming, (POINT OF BEGINNING #3); thence bearing approximately N89°51'W at an approximate distance of 320', where Powder River Energy Corporation's three phase overhead power line "tap" enters State of Wyoming property (TRUE POINT OF BEGINNING #3).

The three phase overhead power line "tap" continues from this point bearing approximately S31°32'E for an approximate distance of 568' where it leaves State of Wyoming property (POINT OF ENDING #3) this point being located on an approximate bearing of S00°01'E and at an approximate distance of 471' from the NE corner of Section 17.

The above description is for a three-phase 24.9/14.4kV double circuit overhead power line "Right-of-Way", and for a three-phase 24.9/14.4kV single circuit overhead power line "Right-of-Way", both 30' in width, being 15' on either side of centerline extending an approximate total distance of 3,514 feet.



CERTIFICATION OF ENGINEER
State of Wyoming
County of Crook

I, Clarence W. Moshier Jr., Powder River Energy Corporation, hereby certify that this map was made from notes taken during an actual survey made by **SSR Engineers, under contract to PreCorp.**, at my direction, on **January 8, 2001**, and that such survey is accurately represented upon this map and by the accompanying field notes.

Clarence W. Moshier Jr.
Clarence W. Moshier Jr.
Wyo. 8255

CERTIFICATE OF APPLICANT

This is to certify that Clarence W. Moshier Jr. who subscribed the statement hereon is the person employed by the undersigned applicant to prepare this map, which has been adopted by the applicant as the approximate final location of the works thereby shown; and that this map is filed as a part of the complete application, and I further certify that the right-of-way herein described is desired for **14.4/24.9 KV** power line.

30' EASEMENT WIDTH
15' EACH SIDE CENTER LINE

Signature of Applicant
Row-Of-Way Agent
Title
POWDER RIVER ENERGY CORPORATION

STATE

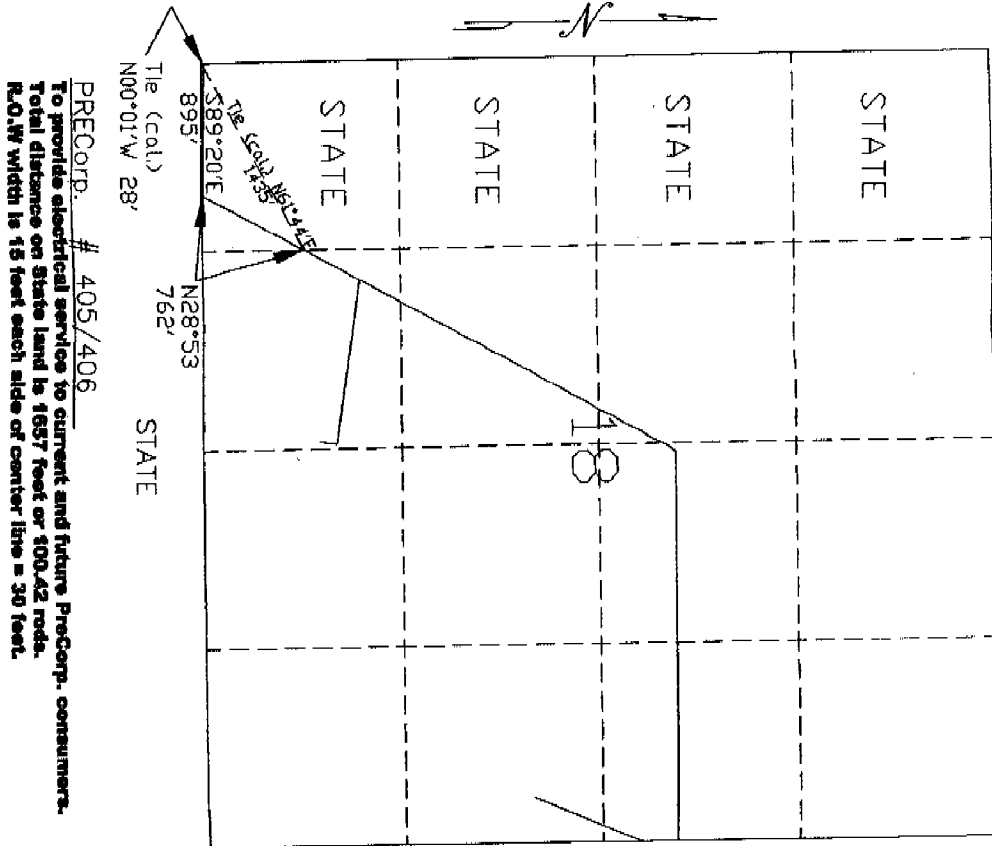
COMMISSIONER OF PUBLIC LANDS
ROW APPLICATION
FOR
14.4/24.9 KV DISTRIBUTION LINE
POWDER RIVER ENERGY CORPORATION
SUNDANCE, WYOMING

Scale: 1" = 1000 feet

DATE: 03/16/01
RLH

PRECorp. # 405/406
To provide electrical service to current and future PreCorp. consumers.
Total distance on State land is 1857 feet or 112.54 rods.
R.O.W width is 15 feet each side of center line = 30 feet.

92

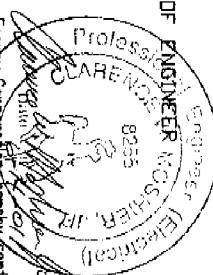


PRECORP. # 405/406
To provide electrical service to current and future PreCorp. consumers.
Total distance on State land is 1657 feet or 100.42 rods.
R.O.W width is 15 feet each side of center line = 30 feet.

T56N
R83W

State of Wyoming } ss.
County of Crook

CERTIFICATION OF



I, Clarence V. Mosher, Jr., Powder River Energy Corporation, hereby certify that this map was made from notes taken during an actual survey made by **BSR Engineers, under contract to PreCorp.** at my direction, on **JANUARY 8, 2001**, and that such survey is accurately represented upon this map and by the accompanying field notes.

Clarence V. Mosher, Jr.
Clarence V. Mosher, Jr.
Wyo. 8235

CERTIFICATE OF APPLICANT

This is to certify that Clarence V. Mosher, Jr. who subscribed the statement hereon is the person employed by the undersigned applicant to prepare this map, which has been adopted by the applicant as the approximate final location of the works thereby shown; and that this map is filed as a part of the complete application, and I further certify that the right-of-way herein described is desired for **14.4/24.9 KV** power line.

30' EASEMENT WIDTH
15' EACH SIDE CENTER LINE

Signature of Applicant _____
Row-Of-Way Agent _____
THE _____
POWDER RIVER ENERGY CORPORATION

COMMISSIONER OF PUBLIC LANDS
RDW APPLICATION
FOR

14.4/24.9 KV DISTRIBUTION LINE
POWDER RIVER ENERGY CORPORATION

SUNDANCE, WYOMING
DATE: 03/12/01
RLM

Scale: 1" = 1000 feet

(2699)