

RIGHT-OF-WAY AGREEMENT

This Agreement is made and entered into effective this ____ day of November, 2000, by and between the _____ owned by _____, _____, of _____, Wyoming _____ ("Owner") and _____, of _____, _____, _____ ("Operator").

For and in consideration of the mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Owner and Operator agree as follows:

1. Operator wishes to drill one stratigraphic test well on the following described lands:

T N/R , _____ .
Section :

Sheridan County, Wyoming

2. In order for Operator to obtain access to its stratigraphic test well, it is necessary that Operator use a private road known as the " _____," portions of which are the private property of Owner.

3. Owner hereby gives, grants, and conveys unto Operator, and its agents and employees (but not any assignees of Operator) a private, nonexclusive right to enter upon and use that portion of the _____ owned by Owner for the purpose of drilling and testing (but not producing or operating) one stratigraphic test well on the above described lands only, subject to the terms, conditions, and limitations contained herein.

4. The term of this Agreement shall be from the effective date hereof through _____. This Agreement and all rights granted to Operator herein shall terminate on _____, unless the parties agree to terminate this Agreement at an earlier date.

5. For the use of that portion of the private _____ owned by Owner, Operator shall pay the sum of _____ per rod, payable prior to Operator's first use of the road. For the purposes of this Agreement, that portion of the _____ owned by Owner shall be deemed to be _____ rods in length.

6. As additional consideration for the rights granted to Operator herein, Operator agrees to assume maintenance responsibilities with respect to the _____ where it crosses lands owned by Owner and Bureau of Land Management or State of Wyoming lands leased by Owner. Operator's maintenance responsibilities during the term of this Agreement are as follows:

(a) Operator will maintain all culverts and cattleguards on the

_____ on lands owned or leased by Owner, blade the road when necessary, and generally keep the road in a condition equal to or better than its existing condition. Operator shall keep all cattleguards free of snow or other debris, and in the event cattleguards are temporarily filled, Owner may fence said cattleguards so as to prevent the movement of cattle until such time as the cattleguards are cleared and/or cleaned. Culverts and cattleguards shall be cleaned and maintained as necessary and upon Owner's request.

(b) If necessary, Operator shall, upon the request of Owner, spray the _____ and adjacent borrow pits for noxious weeds.

7. No fences, cattleguards, or other improvements of Owner shall be cut or damaged by Operator except with the prior written consent of Owner and the payment of additional damages as are appropriate, or other safeguards to protect the rights and property of Owner.

8. Operator agrees to compensate Owner for the extraordinary loss or damage caused by Operator or its agents or employees to Owner's property or livestock. The payments provided for herein are acknowledged by Owner as sufficient for damages caused or created by Operator's reasonable use of the _____ in connection with the above described stratigraphic well, but not for loss of livestock, spills, fires, or any other extraordinary damage to Owner's property. Damage to or loss of livestock and damage to crops (including native forage) shall be paid for by Operator at current market value. Any fires caused by Operator or its contractors, agents, or employees shall be paid for by paying the cost of replacement pasture, the costs of trailing or trucking cattle to replacement pasture, plus replacement and/or repair costs for all personal property destroyed or damaged by such fire. The cost of replacement pasture will be determined by the amount generally accepted in the area for like kind pasture.

9. In the event of default by Operator in any of the material terms hereof, Owner shall notify Operator in writing and Operator shall have thirty (30) days after the date of such notification within which to cure the default. Waiver of any default shall not be deemed a waiver of subsequent defaults. In the event Operator does not cure the default within the time specified, or in the event that Operator is not actively engaged in a good faith effort to cure a default which cannot reasonably be cured within the 30-day period, this Agreement and all of the rights of Operator hereunder shall immediately terminate, and Owner shall not be liable for any loss or damage to Operator occasioned by Owner's enforcement of this provision.

10. Operator agrees that no dogs and no firearms, crossbows, bows and arrows, or other means of taking wildlife, will be brought on the property covered by this Agreement, and Operator will notify all of its contractors, agents, and employees that violation of this restriction shall result in immediate termination. No hunting shall take place on the _____ or on lands owned or leased by Owner, nor shall there be any recreational use of Owner's lands or the _____ by Operator or its

agents, contractors, or employees. Any employee, agent, or contractor of Operator who violates this restriction shall be forever denied entry to _____, and Operator shall pay to Owner a penalty of \$1,000 for each violation of this restriction.

11. In the event that Operator or any of its employees, agents, or contractors are convicted of a violation of any provision of Title 23 of the Wyoming Statutes relating to Game and Fish, and the event resulting in such conviction takes place on lands owned or leased by the _____, Operator shall pay to Owner a penalty of \$10,000 for each such conviction, which payment shall be made to Owner within 10 days after the entry of a final, nonappealable order of conviction issued by a Wyoming or Federal court.

12. All artifacts, fossils, relics, or other items discovered on the deeded lands of Owner by Operator belong to Owner. Upon discovery, such findings shall be reported to Owner and shall be left in place or turned over to Owner, as Owner shall direct.

13. Operator and its contractors, agents, and employees shall only use the _____ during the period of time from one half hour before sunrise to one half hour after sunset. In the event of an emergency situation which requires Operator or its contractors, agents, or employees to occupy or use the _____ at any other time of day or night, Operator will immediately notify Owner, by telephone or fax, of the circumstances causing such occupancy or use, the location of such occupancy or use, and the expected time of departure from lands owned or leased by _____.

14. In the interests of safety, Operator and its contractors, agents, and employees shall not exceed 30 miles per hour on the _____ except that on the crests of hills and on corners where full visibility of the maintained road is less than 200 feet, the speed limit shall be 15 miles per hour. If livestock is present, the speed limit shall be 15 miles per hour. Livestock and wildlife species, including but not limited to deer, antelope, grouse, and songbirds, shall have the right-of-way on the _____, and Operator and its contractors, agents, and employees shall come to a complete stop to give ample time for wildlife and livestock to move from the roadway. There shall be no honking of vehicle horns, revving of engines, or shouting in order to encourage livestock or wildlife to move from the road. Operator will notify all of its contractors, agents, and employees that violation of this restriction shall result in immediate termination. Any contractor, employee, or agent of Operator who violates this restriction shall be forever denied entry to _____, and Operator shall pay to Owner a penalty of \$1,000 for each violation of this restriction.

15. In order to preserve the privacy and existing character of _____, Owner reserves the right to require Operator and its contractors, agents, and employees to sign in and out of lands owned or leased by the _____ by providing Owner with written information regarding the time of arrival, time of departure, names of those entering _____ property, their destination, a description of the vehicle, and such other information as Owner may require. If Owner elects to require Operator to sign in and out of the property, the procedure for doing so will not unreasonably burden Operator or its contractors, agents,

or employees.

16. Operator shall use the rights granted herein with due regard for the rights of others and their use of the _____, and shall not use the _____ in any way that will impair the rights of others to use the road, and shall not obstruct passage thereon.

17. Owner does not warrant or represent that the _____ is safe or suitable for the purposes for which it is permitted to be used under the terms of this Right-of-Way Agreement, nor does Owner covenant to maintain the road to any standard other than as Owner deems reasonable and necessary for its own use.

18. Operator shall exercise the privileges granted hereunder at its own risk, and on behalf of itself and its contractors, agents, and employees, Operator hereby releases Owner from and shall indemnify, defend, and hold Owner, and if applicable, Owner's officers, directors, employees, agents, heirs, and successors, harmless from all liability for damages, costs, losses, and expenses, including attorneys' fees, resulting from, arising out of, or in any way connected with (a) Operator's use of the road, (b) the existence of this Agreement and all rights and obligations arising hereunder, (c) any act or omission of or relating to Operator which is permitted, facilitated, or enhanced as a result of the existence of this Agreement or the _____, and (d) any claim by (and any claim relating to acts or omissions of) Operator's contractors, agents, employees, guests, or invitees.

19. Operator, by its acceptance of the Agreement, hereby agrees to comply with all applicable Federal, State, or local laws, rules and regulations including, without limitation, those pertaining to environmental regulation, contamination, clean-up, or disclosure, and hereby assumes full responsibility for, and agrees to indemnify, defend, and hold harmless, Owner from and against any loss, liability, claims, fine, expense cost (including attorneys' fees and expenses), and cause of action, whether contractual or tortious, and whether involving a governmental agency or a private party, caused by or arising out of the violation (or defense of the alleged violation) of any Federal, State, or local laws, rules, or regulations applicable to any material or substance transported on or across the lands of Owner or released into the atmosphere or into or upon the land or any water course or body of water, including ground water, provided, however, Operator shall not be obligated to indemnify, defend, or hold harmless Owner for such matters arising directly or indirectly from Owner's willful misconduct or gross negligence. Additionally, upon receiving any notice relating to the right-of-way regarding any environmental, pollution, or contamination problem or violation of any Federal, State, or local law, rule, or regulation, Operator will notify the Owner as soon as practicable but in any event by certified mail within five (5) days. This provision and its indemnities shall survive the termination of this Agreement and shall inure to the successors, heirs, and assigns of Owner and Operator.

20. Operator does not now, and shall not at any time claim any interest or estate of any kind or extent whatsoever in the _____ by virtue of this Agreement or

Operator's use of the _____, other than the privileges granted hereby. This Agreement is not intended and shall not be construed as conferring any benefit on the general public or any party other than Owner and Operator.

21. All vehicles using the _____ and owned or operated by Operator, its contractors, agents, or employees shall be covered by automobile liability insurance covering owned, nonowned, and hired automobiles with limits of \$1,000,000 for injury to or death of any one person for any one occurrence, and \$500,000 property damage per occurrence. In addition, Operator shall carry comprehensive general liability insurance with limits of \$1,000,000 for injury or death for any one occurrence and \$1,000,000 for property damage per occurrence. Such insurance shall contain a waiver of subrogation. Upon Owner's request, Operator and its contractors, agents, and employees using the _____ shall provide Owner with certificates evidencing such insurance.

22. If Operator defaults under this Agreement, Operator shall pay all costs and expenses, including a reasonable attorneys' fee, incurred by Owner in enforcing the terms of this Agreement.

23 The rights granted to Operator hereunder shall not be assignable to any person or entity without Owner's written consent. Any attempt by Operator to assign, directly or indirectly, any of its rights hereunder without the written consent of Owner, shall result in the immediate termination of this Agreement and the rights granted to Operator hereunder.

Dated as of the year and date first above written.

OWNER

By: _____

Title: _____

Address: _____

OPERATOR

By: _____

Title: _____

Address: _____
