

## SURFACE DAMAGE AND RELEASE AGREEMENT

8 This Surface Damage and Release Agreement (this "Agreement") is made and entered into this day of August, 2007, by and between **Frankie D. Knuckles And Arveta P. Knuckles**, h&w with an address of P.O. Box 244, Dove Creek CO 81324 (Owner") and **Bill Barrett Corporation** with an address of 1099 18<sup>th</sup> Street, Suite 2300, Denver, CO 80202 ("BBC").

Whereas, BBC or an affiliate has the right to drill an oil and gas well or wells (the "Well") on the Lands ("Lands") in Dolores County, Colorado, described below:

Township 39 North, Range 18 West, N.M.P.M.  
Section 11: NW/4NE/4


*Said well(s) is to be drilled from a location(s) located in the above described lands as generally described on the plat in Exhibit "A" and will be known as the Knuckles ~~2H-11--39-18~~ Pad well(s).*

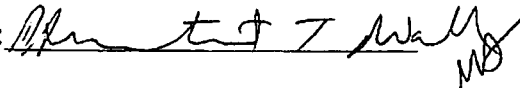
9. Owner hereby agrees to waive all thirty (30) day notices as required by the COGCC for issuing APDs or as may be required under consultation provisions of COGCC Rule 305 or 306 for the above proposed well location (s). Should the above proposed well location (s) need to be relocated for any reason, BBC agrees to consult with Owner prior to such relocation.

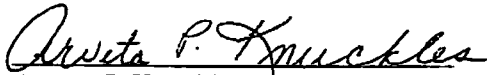
IN WITNESS WHEREOF, the parties have set their hands on the day and year first written above.

OWNER

BILL BARRETT CORPORATION

  
Frankie D. Knuckles

By:   
NB

  
Arveta P. Knuckles

Name: Huntington T. Walker

Title: Sr. Vice President - Land

Bill Barrett Corporation  
1099 18<sup>th</sup> Street, Suite 2300  
Denver, Colorado 80202  
Attention: Huntington T. Walker  
Sr. Vice-President-Land  
(303) 293-9100

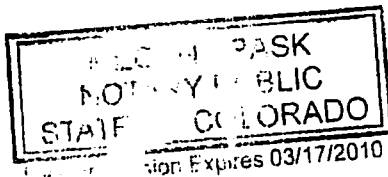
ACKNOWLEDGEMENTS

STATE OF COLORADO )  
 )  
 ) ss.  
CITY AND COUNTY OF DENVER)

On this 31<sup>st</sup> day of AUGUST 2007, before me personally appeared Huntington T. Walker, known to me to be the Sr. Vice President - Land of BILL BARRETT CORPORATION and that he executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

My Commission Expires: 3/17/2010



Notary Public: Megan Trask

A handwritten signature of Megan Trask in black ink.

Address: 1099 18<sup>th</sup> Street, Ste 2300, Denver, CO 80202

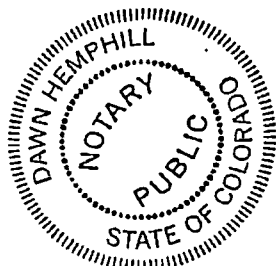
ACKNOWLEDGMENT

STATE OF COLORADO  
 )  
 ) ss.  
COUNTY OF DOLORES)

BEFORE ME, the undersigned authority, on this 8 day of August, 2007 personally appeared Frankie D. Knuckles and Arveta P. Knuckles, to me known to be the individual(s) described in and who executed the foregoing instrument, and acknowledged to me that they signed the said instrument at their free and voluntary act and deed for the uses and purposes therein mentioned.

WITNESS my hand and official seal hereto affixed the day and year in this certificate above written.

My Commission Expires: 01/03/09



Notary Public: Dawn Hemphill

Address: 305 S. Gayrene St.  
Durango, CO 81324