

**RIGHT OF WAY AND EASEMENT**

KNOW ALL MEN BY THESE PRESENTS, that for the consideration set forth below, **Merlin D. Skibbe and Julia M. Skibbe, husband and wife**, whose address is 1117 S. Hillside Rd, South Haven, Kansas 67140 (hereinafter in combination referred to as the "GRANTOR", hereby grants and conveys to, **Running Foxes Petroleum Inc.** whose address is 7060 B So. Tuscon Way, Centennial Co. 80112, its successors and assigns, hereinafter called GRANTEE, a right-of-way and easement over, across and through lands, hereinafter the "SUBJECT LANDS" owned by GRANTOR described as follows:

**Township 34 South and Range 01 East**

Section 3: N/2NE/4 ✓

Section 2: N/2NW/4 ✓

GRANTOR hereby grants GRANTEE an easement and right of way for ingress to, egress from and access upon the SUBJECT LANDS for the installation, construction, operation, maintenance, repair, usage, replacement and removal of Pipelines and Water Lines, for the movement of Hydrocarbons and water whether produced from the SUBJECT LANDS or from other lands. GRANTEE agrees to pay GRANTOR and GRANTOR agrees to accept, for any Pipelines or Water Lines installed by GRANTEE, the sum of \$10.00 per rod for the right-of-way and damage therefore as a one-time payment ("ROW Fee") to cover the installation, construction, operation, maintenance, repair, usage, replacement and removal of the Pipelines and Water Lines. Placement of multiple Pipelines, or placement of Water Lines with Pipelines, along the same right-of-way shall be subject to only one ROW Fee. The foregoing easement and right of way includes the right to install, construct, maintain, repair and replace one or more electrical lines necessary for the operation of GRANTEE'S equipment and facilities. Electrical lines or Water Lines placed within Road rights-of-way or along Pipeline rights-of-way shall not be subject to any fees for such placement or rights-of-way.

It is understood that all Pipelines, Water Lines and electrical lines will be placed in consultation with the GRANTOR to cause the least amount of disturbance, and the most benefit, to GRANTOR'S land use. All Pipelines, Water Lines and underground electrical lines constructed by GRANTEE shall, at the time of construction thereof, be buried to a depth not less than plow depth as measured from the surface above the pipeline to the top of the pipeline, except if rock or other impenetrable substances make burial to the foregoing depth impractical, GRANTEE shall have the right to bury the pipelines to such lesser depth as is practical; and provided that at the option of GRANTEE, such line or lines may be placed above the channel of any stream, ravine, ditch or other water courses

After payment of the ROW Fees for Pipelines and Water Lines, and the initial installation of such Pipelines and Water Lines, it is understood that in the course of subsequently installing additional Pipelines or Water Lines in the same right-of-way, or in routine maintenance of existing lines, that GRANTEE, may damage crops. As to any such crop damage by GRANTEE occasioned after the initial installation of a Pipeline or Water Line, GRANTEE agrees to reimburse GRANTOR the actual market value of the portion of planted crops that are destroyed by GRANTEE.

The easement and right-of-way rights granted herein are more specifically identified as a strip of land measuring 50 feet in width, in total for the easements for the Pipelines, Water Lines and electrical lines ("Entire Easement"). The location and dimensions of the easements shall be established by a survey, a copy of which shall be furnished to GRANTOR upon construction of the initial easements, and may be modified, from time to time, as, Pipelines and Water Lines are constructed and installed.

RIGHT OF WAY AND EASEMENT

All payments required to be made pursuant to this Right of Way and Easement shall be mailed or delivered to GRANTOR at the address stated above, unless notice of change of address is given to GRANTEE in writing. Compensation for the surveyed pipeline rights-of-ways and easements will be paid within 30 days after completion of construction of any such pipeline. If GRANTOR owns less than 100 percent of the surface ownership as to any lands covered hereby, then as to such lands the payments hereunder shall be proportionately reduced as to the percentage of surface interest owned.

GRANTEE shall have the right, but not the obligation, to cause this RIGHT OF WAY AND EASEMENT to be placed of record in Sumner County Records, together with an appropriate memorandum reciting the installation of the pipeline in compliance with this RIGHT OF WAY AND EASEMENT agreement. GRANTOR hereby agrees to execute any additional documentation that may be necessary to place the GRANTEE'S rights of record.

The grant made hereby is divisible and assignable or transferable, in whole or in part.

TO HAVE AND TO HOLD said right-of-way and easement unto said Grantee, its successors and assigns; provided, that GRANTOR shall have the privilege to use and enjoy the premises subject to the rights herein granted.

The EFFECTIVE DATE of this RIGHT OF WAY AND EASEMENT is October 29, 2008

Merlin D. Skibbe  
Merlin D. Skibbe

Julia M. Skibbe  
Julia M. Skibbe

STATE OF KANSAS

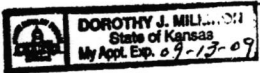
COUNTY OF SUMNER

On this 30<sup>th</sup> day of October, 2008, before me, personally appeared, Merlin D. Skibbe and Julia M. Skibbe, husband and wife, to me known to be the person(s) described in and that executed the foregoing instrument and acknowledged to me that such (each) executed the same as his (her/their) free and voluntary act and deed for the uses and purposes therein set forth.

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

My Commission Expires:

Dorothy J. Williams  
Notary Public:



State of Kansas, Sumner County SS:  
Filed for record on the 30<sup>th</sup> Day of  
November, 2008 A.D. at 3:00  
o'clock P M and recorded in photo  
Book 774 at page 253  
fees \$ 18.00  
Joyce A. Kow  
Joyce A. Kow Register of Deeds AT

RIGHT OF WAY AND EASEMENT