

**GRANT OF EASEMENT AND RIGHT-OF-WAY  
FOR PIPELINE, SURFACE AND ROAD USE**

036178

CXM-00294

THE STATE OF TEXAS                    §  
COUNTY OF SAN AUGUSTINE           §

KNOW ALL MEN BY THESE PRESENTS:

THAT Crown Pine Timber 1, L.P., a Delaware limited partnership ("Grantor"), which maintains a business at 702 N. Temple Drive, Diboll, Texas 75941, in Angelina County, Texas for and in consideration of the sum of TEN AND NO/100 (\$10.00) DOLLARS, and other good and valuable consideration to it in hand paid by EnCana Oil & Gas (USA) Inc. ("Grantee"), which maintains a business at 14001 N. Dallas Parkway, Suite 1000, Dallas, TX 75240, receipt of which is hereby acknowledged, has granted, sold and conveyed and by these presents does, until the time hereinafter stated, grant, sell and convey to Grantee, its successors and assigns, subject to the terms and conditions hereof, a 50' wide non-exclusive right-of-way and easement for the Black Stone Unit A-17 #1H pipeline for the purpose of transporting gas through up to two 24" inch pipelines ONLY (the "Pipelines"), and for no other purpose or purposes, under, upon, over and through the lands of Grantor situated in the C. Hereford Survey, A-17, the B.D. Hendrick Survey, A-143; SP RR Co. Surveys, A-567, A-566 & A-564, the HT&B RR Surveys, A-561, A-155, A-570 & A-160, County of San Augustine, State of Texas (the "Pipelines Easement"), such Pipelines Easement being described as follows:

SEE EXHIBITS "A-1", "A-2", "A-3", "A-4" & "A-5" ATTACHED HERETO AND INCORPORATED HEREIN BY REFERENCE.

For the same consideration herein recited, Grantor has granted, sold and conveyed and by these presents does, until the time hereinafter stated, grant, sell and convey to Grantee, its successors and assigns, subject to the terms and conditions hereof, fifteen surface easements for the purpose of locating valves, meters, tanks, dehydrators, separators, heaters, compressors, appliances, and appurtenant facilities as necessary to assist in the transportation of oil and/or gas through the above Pipelines (the "Surface Easement"), such Surface Easement being described as follows:

SEE EXHIBIT "A-1", "A-2" & "A-3" ATTACHED HERETO AND INCORPORATED HEREIN BY REFERENCE.

For the same consideration herein recited, Grantor has granted, sold, and conveyed and by these presents does, until the time hereinafter stated, grant, sell and convey to Grantee, its successors and assigns, subject to the terms and conditions hereof, a non-exclusive road easement along the existing road (the "Road Easement"), such Road Easement being described as follows:

SEE EXHIBIT "A-1", "A-2", "A-3", "A-4" & "A-5" ATTACHED HERETO AND INCORPORATED HEREIN BY REFERENCE.

Included in the rights granted herein is the ability to construct, maintain, operate, alter, repair, replace and remove the Pipelines and surface facilities as described above.

It is understood and agreed that the centerlines, legal descriptions and exhibits and plats attached hereto as Exhibits "A-1", "A-2" and "A-3" have been prepared by Grantee or Grantee's agents herein and Grantors do not guarantee or warrant the accuracy of same, and all ambiguities, shortages, or other problems with such descriptions or the Pipelines Easement will be strictly construed against the Grantee and in favor of the Grantor. This Pipelines Easement is being conveyed to Grantee "AS IS, WHERE IS" without any warranty, express or implied, statutory, or otherwise, and expressly with any and all faults and defects. ALL WARRANTIES ARE DISCLAIMED. The Pipelines Easement and Surface Easement referenced herein shall be referred to collectively hereinafter as the "Easement". The Pipelines Easement, Surface Easement and Road Easement referenced herein shall be referred to collectively hereinafter as the "Easement".

Within six (6) months after completion of the construction of the Pipelines, Grantee shall provide Grantor, at the cost of Grantee, with a set of "As Built Survey Plats" in a digital format acceptable to Grantor to more completely and fully describe the Easement. The Survey Plats shall include the XY coordinates of all above ground appurtenances and the centerline of the Pipelines as a series of arcs, with the width in feet associated with each segment of the Pipelines' arcs incorporated into the digital file. The Survey Plats should also specify the map projection system used so that Grantor will be able to identify points of reference within the Plats. If Grantee fails to provide Grantor with acceptable Survey Plats within six (6) months after completion of the Pipelines, Grantee shall cease all operations over, upon, and through the Easement until acceptable Plats have been supplied to Grantor.

Grantee shall have the right and assumes the responsibility to open, clear and maintain the Easement in a manner consistent with Exhibit "C" attached hereto and incorporated herein by reference. Grantee agrees to pay all damages incurred by Grantor resulting from Grantee's use of the Easement or the use of the Easement by Grantee's licensees, contractors, agents, employees or invitees (collectively,

the "Grantee Parties"). Further, Grantee agrees to keep the Easement clear of underbrush, trees and other growths, obstructions and hazards of all kinds. Grantee shall not allow slash or other debris accumulated as a result of right-of-way clearing or maintenance to be placed upon adjacent land of Grantor. Grantee agrees to prevent soil erosion, repair soil erosion problems, and clean up debris caused by the construction, operation, maintenance, repair and removal of facilities and appurtenances. Grantee shall construct and continuously maintain the Easement and facilities in a good and workmanlike manner, and, upon cessation of use, leave the Easement free from fire hazards and erosion, leveled, and in clean condition. Grantee shall maintain the Easement in a manner consistent with the Recommended Forestry Best Management Practices for Texas, as may be amended, to be supplied to Grantee by Grantor from time to time. Specifically, Grantee shall bore its Pipeline under any stream and adjoining stream management zones in order to protect any streams and stream management zones that may be within the Easement.

TO HAVE AND TO HOLD the Pipeline, Surface and Road Easement unto Grantee, its successors and assigns, for so long as said Easement is used by Grantee for the purposes set forth herein or terminated as set forth below. If Grantee fails to begin construction of either pipeline within three years of the date of execution of this Easement, such failure to construct shall be deemed a failure and then and thereupon this conveyance, on a pipeline by pipeline basis, shall be null and void and the Easement and right-of-way shall absolutely and automatically revert to the Grantor, its successors or assigns, without any necessity for suit or reentry or execution or recordation of any additional documents, and no act or omission on the part of any of them shall be a waiver of the operation or enforcement of such condition. Finally, if Grantee fails to record this document in the public records of the appropriate county and supply Grantor with a copy of the recorded Easement within forty-five (45) days after execution of this agreement, such failure to record shall be deemed a failure and then and thereupon this conveyance shall be null and void and the Easement and right-of-way shall absolutely and automatically revert to the Grantor, its successors or assigns, without any necessity for suit or reentry or execution or recordation of any additional documents, and no act or omission on the part of any of them shall be a waiver of the operation or enforcement of such condition. After construction of the Pipelines, in the event that Grantor has failed to transport gas through the Pipeline for a period in excess of twelve (12) consecutive months, then and thereupon this conveyance shall be null and void and the Easement and right-of-way shall absolutely and automatically revert to Grantor, its successors or assigns, without any necessity for suit or reentry or execution or recordation of any additional documents, and no act or omission on the part of any of them shall be a waiver of the operation or enforcement of such condition.

The Pipelines and related facilities placed upon the Easement by Grantee shall be considered personal property and upon the termination of the Easement, Grantee shall elect and perform one of the following within six (6) months after the termination of the Easement: Grantee shall remove, at no cost to Grantor, all such personal property of Grantee, including the Pipeline; or Grantee shall fill the Pipelines with water, cap the Pipelines, and abandon the Easement in such a manner where Grantor's future operations upon the Easement will be safe. Upon the completion of the above referenced activities, Grantee shall restore the premises to its former condition as nearly as practicable. Grantee's rights during the six (6) month period referenced herein are limited to those set forth in the preceding sentence and shall in no way result in an extension of the term of the Easement. If any such personal property are left on or under the Easement or the Pipelines have not been plugged, capped, and made safe as required herein after expiration of the six (6) month period referenced herein without Grantor's express written consent, Grantor may issue a written notice of forfeiture, in which event (a) such items shall become the property of the then owner of the surface of the Easement without any payment thereof to Grantee and (b) the then owner of the surface of the Easement may in its sole discretion retain, remove, sell or dispose of such items without any liability or obligation to Grantee whatsoever. The notice of forfeiture is effective on the date of mailing. Grantee agrees to indemnify Grantor and its affiliated companies and partners and their officers, insurers, agents and employees for any costs associated with the removal or disposal of such property, including attorney's fees.

This Easement is subject to any reservation, exception or conveyance in the prior chain of title, of the oil, gas or minerals, in, on or under the premises, and to any easements, exceptions, restrictions, and reservations, of record or visible and apparent, pertaining to such premises.

If Grantor desires to construct, or to give others the right to construct any improvements, such as roads, railroads, canals, ditches, utility lines, pipelines or other structures, in, under, over, through, or across this Easement, it shall have the right to do so without liability for any damages or claims related to the impact of such construction on the Easement or the personal property located thereupon. In the event of any such construction upon the Easement area, upon reasonable notice by Grantor to do so, Grantee, at its sole cost and risk, shall raise or lower its facilities as may be necessary to eliminate any interference with the construction, maintenance, and use of such improvement or structure over or under Grantee's facilities, and Grantee shall encase or otherwise protect its facilities from any damage or injury that might result from the construction, maintenance, or use of such improvement or structure.

Grantee shall install, at its sole cost and risk, four crossings per mile over the Easement area, suitable for all types of logging operations, at locations designated by Grantor. The location of each crossing will be marked by the installation of permanent markers.

Grantor shall have the right to construct fences across the Easement at such places as it may deem proper and Grantee shall from time to time, at Grantor's request, install gates and fences at locations on the Grantor's land as utilized by Grantee. All gates used to access the Grantor's land and gates located on the Grantor's land shall be kept closed and locked at all times. Separate locks shall be installed by

both Grantee and Grantor. Grantee shall maintain any such fences and gates in a good and workmanlike manner throughout the term of this agreement.

Grantee shall not install temporary board road material on the pipeline and will not allow nails to be used or placed on the Easement. Temporary board mats may be used during new construction or repair operations and must be removed within 60 days of installation.

Grantor reserves to itself, its successors and assigns, the free, perpetual and uninterrupted right and privilege of passage in, along, upon, across and over the Easement, and the right to fully use and enjoy the premises impacted by the Easement for any purposes except as may be necessary for Grantee to utilize the Easement for the purposes herein granted. Therefore, Grantee, by the acceptance hereof, agrees to bury its facilities, including (without limitation) the Pipelines at a sufficient depth below ground level so that such facilities shall not be damaged by and shall not interfere with normal cultivation of the land in the Easement for crops or the crossing thereof by foot, vehicle and animal traffic, including all types of logging vehicles, tractors and logging equipment customarily used in logging operation, so as not to be damaged by, nor interfere with, the crossing and use of such Easement by Grantor for the purposes herein mentioned and similar purposes. Not by way of limitation of the foregoing, such facilities shall in no event be buried at a depth of less than 36 inches below ground level. Grantee shall erect and maintain during the term of this Easement or for so long as such facilities remain in, on, over or under Grantor's premises, whichever is longer, readily visible warning signs marking the exact location of the Pipeline and appurtenant facilities and warning of any dangers relative thereto. The Pipelines corridor or corridors will be maintained in a clearly visible and distinguishable manner and mowed at least once every two years. Pipeline centerline markers will be erected and maintained within line of site, at each boundary line and on both sides of every road or creek crossing.

Grantor hereby reserves all of the oil, gas and other minerals in and under the Easement, but waives the right to conduct on the surface of the Easement actual mining, drilling, producing, or manufacturing operations; provided, however, that operations for exploration or recovery of any such minerals shall be permissible so long as all surface operations in connection therewith are located at a point outside the Easement and that none of the operations shall be conducted so near the surface of the land in the Easement as to interfere with the intended use hereof or damage, jeopardize or endanger the facilities of Grantee located upon the Easement.

Grantee agrees to pay off and discharge all damages of any character or description to all parties, including Grantor, by reason of, resulting from, or arising out of, the construction, maintenance, operation, repair and removal of the facilities and appurtenances, so as to protect Grantor, its successors and assigns, there from and to indemnify, defend, protect, save and hold Grantor and its affiliated companies and partners and their officers, insurers, agents and employees harmless against any loss or damage on such account, including court costs and reasonable attorney's fees. UNDER THE PROVISIONS OF THIS INDEMNITY, GRANTEE AGREES TO INDEMNIFY GRANTOR AND THE PARTIES REFERENCED ABOVE FOR GRANTOR'S OWN NEGLIGENCE.

Grantee shall comply with all applicable federal, state, and local laws, rules, and regulations, including (without limitation) those certain laws, rules and regulations concerned with the protection of human health and welfare and/or the environment (each, an "Environmental Law," and collectively, the "Environmental Laws"). Grantee specifically agrees to comply with the Endangered Species Act, 16 U.S.C. § 1531-1544 (1998) and any amendment thereto. Prior to its use of the property, Grantee shall inspect it for evidence of habitation of any species of fish, wildlife, and plants which may from time to time be listed as threatened or endangered at 50 C.F.R. § 17. Grantee shall immediately report to Grantor the presence of, or any evidence of, habitation by any such endangered or threatened species. If Grantee or any Grantee Parties discovers evidence of habitation by, or the presence of, any threatened or endangered species at any time during the term of this agreement, Grantee shall promptly advise Grantor and the appropriate agency or agencies of such evidence. Grantee shall adhere to the requirements of such agency or agencies with respect to the continued use and enjoyment of the Easement. Grantee shall notify Grantor prior to submitting any request for or obtaining any wetland permits. When permits, licenses or generator or transporter identification numbers are required by an Environmental Law, Grantee will immediately provide Grantor a copy of such permit, license, or generator or transporter identification number. If any claims arise under any applicable Environmental Laws against Grantee or any real property that is the subject of or affected by this Agreement, resulting from Grantee's operations under this Agreement or the operations of any Grantee parties, Grantee will immediately notify Grantor in writing notice of such claims and will provide Grantor with a copy of each document reflecting such event. In the event of a spill or release of oil or hazardous materials on the herein described land, Grantee will promptly comply with all federal, state and local spill notification and response requirements, including, but not limited to, all federal and state health and safety requirements. Grantee will at a minimum: (1) prevent further spilling or release; (2) take appropriate corrective actions to mitigate the spill; and (3) immediately notify Grantor.

Grantee agrees that it shall not enter any agreements with any regulatory agency having jurisdiction to regulate the Grantor's property without the prior written consent of Grantor that restrict the use, maintenance, or replanting obligations concerning the property.

Grantee agrees to indemnify, defend, protect, save and hold Grantor and its affiliated companies and partners and their officers, insurers, agents and employees harmless from all loss, claims, costs, liability, fines, penalties, and damages for or on account of any violation or alleged violation of any law or regulation (state or federal) and any loss of any type which is caused by or results in whole or in part from acts of commission, omission, or negligence on the part of Grantee, and/or the Grantee Parties, arising out of or relating to the

exercise of the rights under, or the performance or mal-performance or non-performance of any part of Grantee's duties or activities under this agreement, including (without limitation) the violation by Grantee or any Grantee Parties of any Environmental Laws.

It is expressly understood and agreed that Grantee shall not pave or otherwise improve the Easement area without the written permission of Grantor, which may be withheld, conditioned or delayed in Grantor's sole and absolute discretion and any such paving or improving shall be made solely at the expense and risk of Grantee and upon the express understanding that Grantor shall have the right to use the Easement for any purposes above mentioned without incurring any obligation to restore the surface of the Easement area.

Grantor hereby reserves and shall have the right to the salvage of all timber on the Easement. Grantee shall notify Grantor in writing at least thirty (30) days before Grantee desires to begin operations so that Grantor will have an opportunity to remove such timber. In the event Grantor has not cut, felled and removed the merchantable timber before Grantee begins operations, then Grantee may cut and fell such timber within the Easement ONLY. No timber outside of the Easement may be cut or removed by Grantee or any of the Grantee Parties. All merchantable timber shall be cut in full length logs and stacked along the right-of-way at convenient locations for salvage by Grantor. Grantee shall keep Grantor informed of the timber cut and of the places where it is stacked.

Should Grantee fail to comply with the provisions of this Easement, Grantor shall have the right to terminate this agreement. Grantor will give Grantee written notice of such non-compliance and, should Grantor not comply within 30 days, Grantor shall have the right to elect to terminate this agreement by subsequent written notice or seek specific performance of the obligations referenced therein. In the event any arbitration, action, suit or legal proceeding is instituted by either party to this Agreement, the prevailing party shall be entitled to recover from the non-prevailing party both reasonable attorney fees and reasonable expert witness fees as determined by the court or arbitration panel, both at trial and on appeal or re view and in bankruptcy, whether or not the matter in dispute involves an issue peculiar to federal bankruptcy law. Attorney fees and expert witness fees shall be in addition to other costs and disbursements allowed by law. "Prevailing party" shall be determined by the arbitrator, or any court, as the true prevailing party (not statutorily prevailing party) after taking into consideration any settlement offers made by the parties and the number and importance of issues to be determined.

All notices and payments required herein shall be given as follows:

Crown Pine Timber 1, L.P.  
Attention: Oil and Gas Program Manager  
702 N. Temple Drive  
Diboll, Texas 75941  
Telephone: (936) 829-6330  
Fax: (936) 829-6312

**With copy of notices only to:**

The Campbell Group, LLC  
Attention: Asset Management  
One SW Columbia, Suite 1700  
Portland, OR 97258-2039

Before commencing any activities under this agreement, Grantee and all Grantee Parties shall obtain, at their own cost and expense, a policy or policies of insurance, and during the term of this agreement, maintain commercial general liability insurance or a reasonable equivalent insurance, insuring against liability growing out of the activities of Grantee and all Grantee Parties upon the land of Grantor, all property damage (including damage to all property of Grantee and Grantee Parties) and bodily injury, each policy to be in the coverage amount of \$1,000,000 per occurrence and \$2,000,000 in the aggregate. Each policy shall also include, in the Grantor's reasonable discretion, independent contractors blanket contractual liability (including liability assumed under the indemnification paragraph of this agreement), and private industrial accident insurance covering Grantee and the Grantee Parties and their subcontractors, representatives or employees which, if required by Grantor, shall fully comply with all applicable state and federal employment and workers' compensation laws. All policies shall be endorsed to name Grantor and all affiliated companies of Grantor identified by Grantor to Grantee in writing as additional insured with respect to the performance of this agreement. Prior to commencing performance of this agreement, Grantee shall deliver to the Grantor certificates from its insurance carrier and copies of all relevant policies evidencing the coverage described herein, and shall provide such further evidence to the Grantor establishing that the insurance required herein has been secured. All certificates of insurance shall provide on their face that the policies represented thereby will not be terminated, reduced or changed without providing thirty (30) days prior written notice to the Grantor. Nothing herein contained shall limit Grantee's or any Grantee Parties' liability to Grantor to the scope or the amount of the insurance coverage obtained.

The Easement shall not be assigned by Grantee without the prior written consent of the Grantor which may be withheld, conditioned or delayed only in Grantor's reasonable discretion. Any reference to Grantor and Grantee herein shall include their successors and assigns.

[SIGNATURES ON FOLLOWING PAGES]

Executed and effective this 4<sup>th</sup> day of November, 2010.

"GRANTOR"

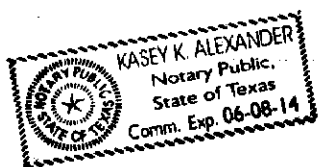
**CROWN PINE TIMBER 1, L.P.,**  
A Delaware limited partnership  
By: The Campbell Group, LLC,  
a Delaware limited liability company  
its authorized agent

By: *C.L. Carroll*  
C. L. Carroll  
Regional Manager *7/14*

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THE STATE OF Texas §  
COUNTY OF Angellina §

This instrument was acknowledged before me on this 15<sup>th</sup> day of November, 2010, by C.L. Carroll, Regional Manager of The Campbell Group, LLC, a Delaware limited liability company and the authorized agent of Crown Pine Timber 1, L. P., a Delaware limited partnership, on behalf of said limited partnership



*Kasey K. Alexander*  
Notary Public, State of \_\_\_\_\_  
My Commission Expires: \_\_\_\_\_

"GRANTEE"  
EnCana Oil & Gas (USA) Inc.

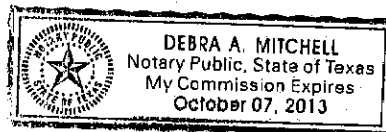
By: *Mark A. Virant* LMC AD  
Mark A. Virant  
Attorney-in-Fact

THE STATE OF TEXAS §  
COUNTY OF DALLAS §

This instrument was acknowledged before me on this 4th day of November, 2010, by Mark A. Virant, Attorney-in-Fact of EnCana Oil & Gas (USA) Inc., a Delaware Corporation, on behalf of said Corporation.

*Debra A. Mitchell*  
Notary Public, State of Texas

My Commission Expires: 10-07-2013



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After Recording Return To:  
EnCana Oil & Gas (USA), Inc.  
Att: Becky Baber  
14001 N. Dallas Parkway, #1000  
Dallas, TX 75240

EXHIBIT A-1

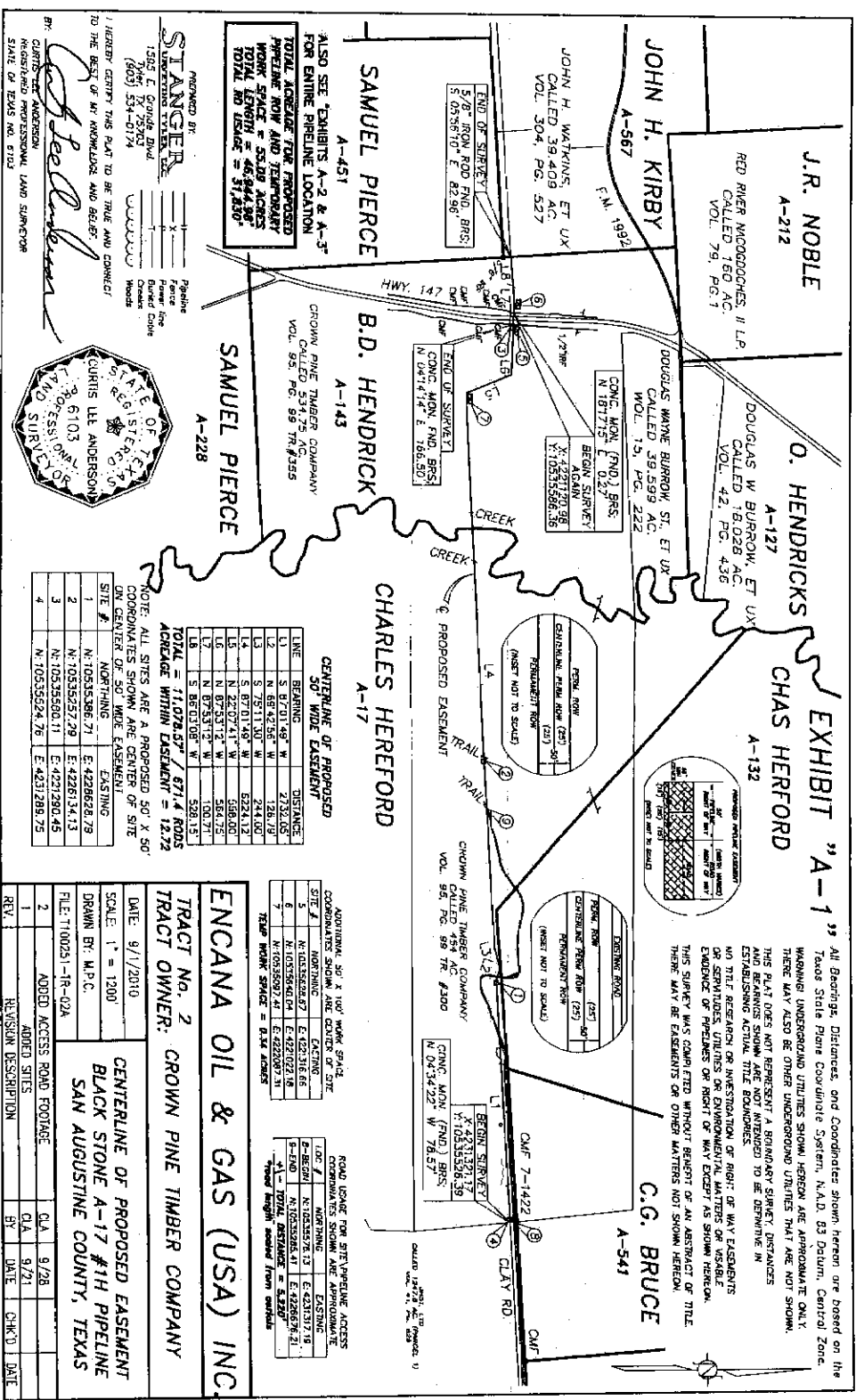
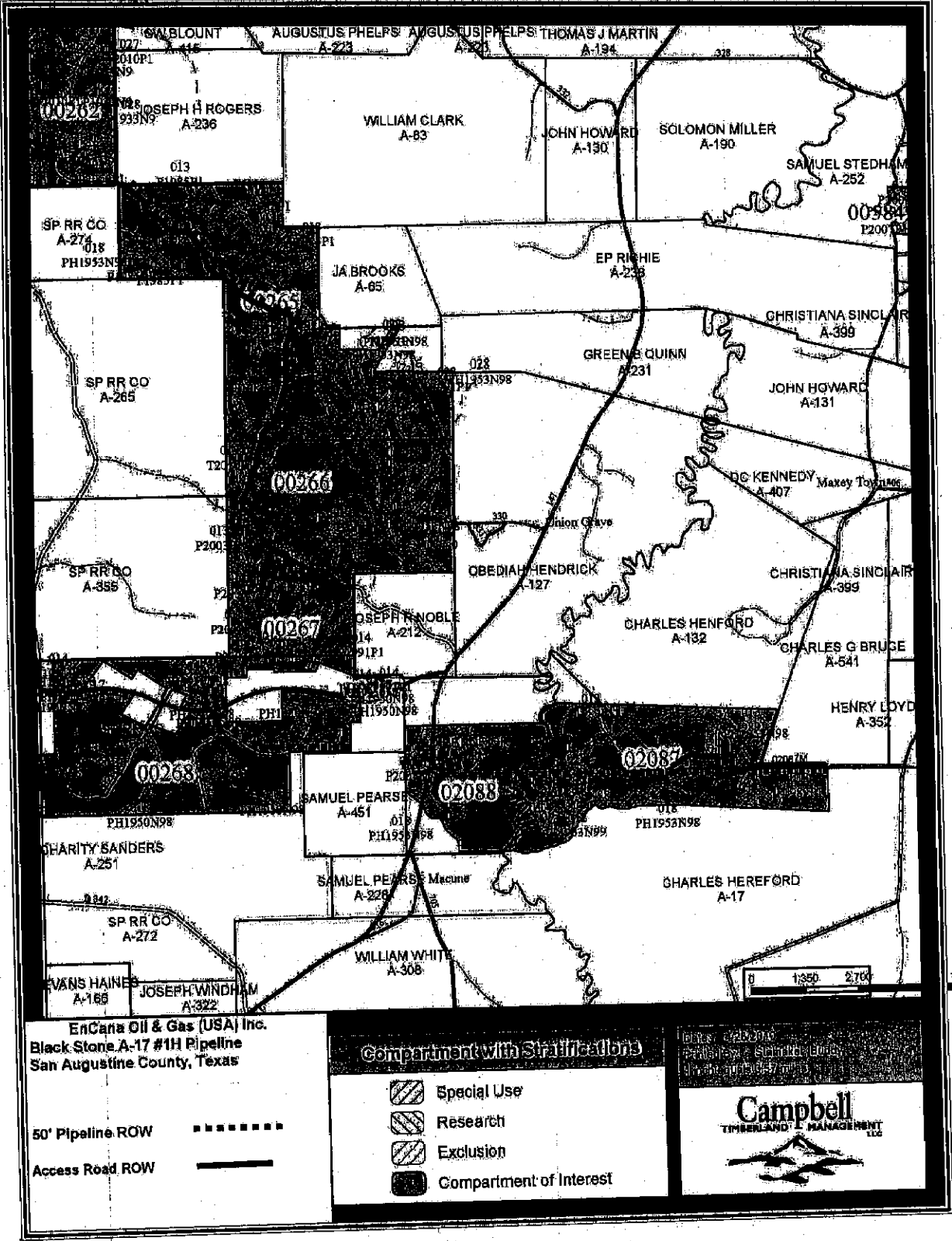






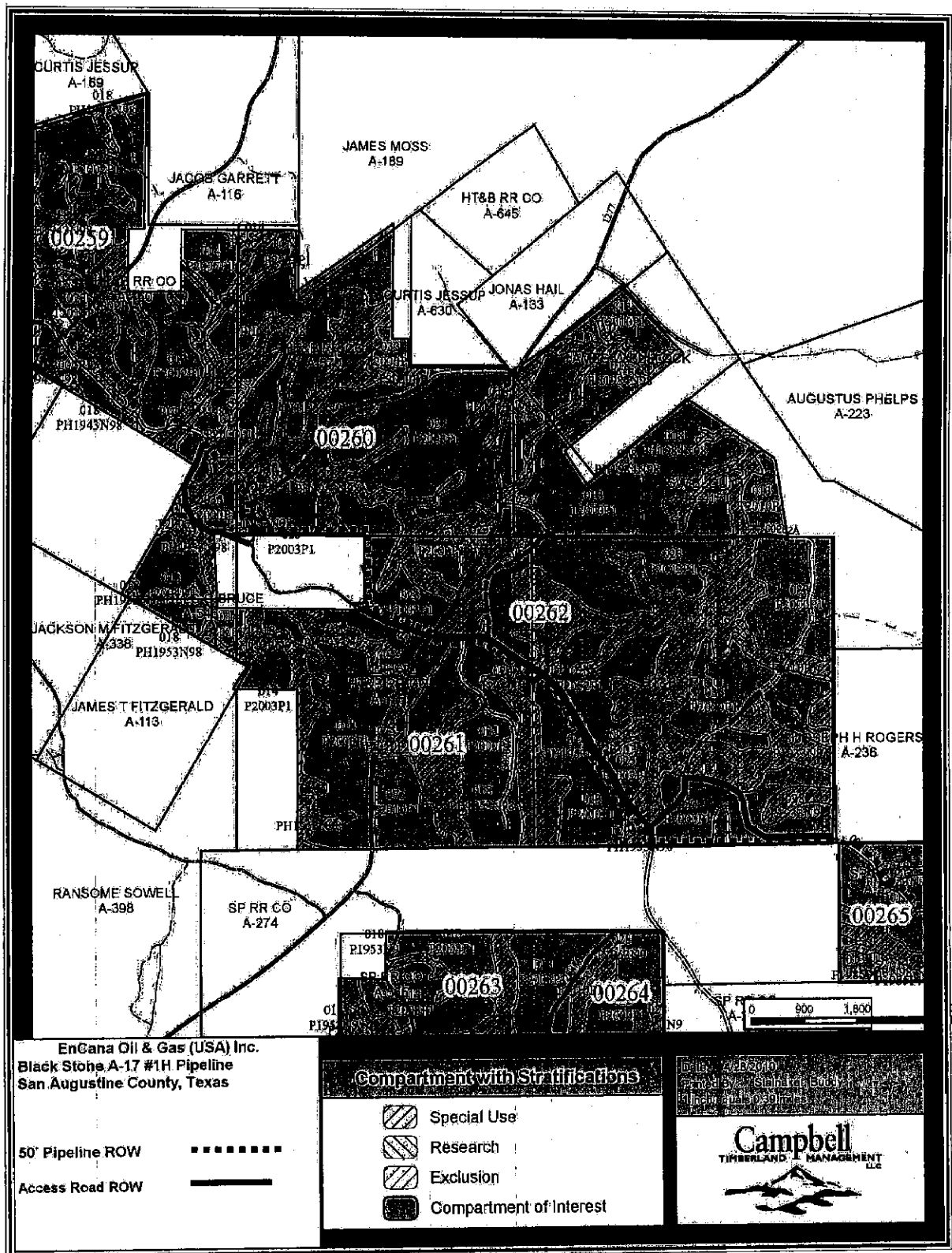


EXHIBIT A-4



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EXHIBIT A-5



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EXHIBIT "C"

PRACTICES FOR RIGHT-OF-WAY EROSION CONTROL

A vegetation (grass) cover of at least 90% coverage will be established immediately after construction and maintained thereafter on all pipeline corridors.

Planting Procedure: Fall-Winter

This mixture should be planted September 1 – December 15

After completion of pipeline installation the soil should be worked well by disking three times.

After soil has been worked, spread lime (1 ton/acre), and fertilizer (500 lbs. /acre 13-13-13). Again work with disk to mix lime and fertilizer.

After proper amounts of fertilizer and lime have been applied, broadcast one-bushel wheat/acre, 60 lbs. /acre oats, and 25 lbs. /acre of reseeding Crimson Clover or Mt. Baker Subterranean Clover.

Cover seed lightly with roller or cultipacker. Do not cover with disk! Poor germination will result.

Annual Maintenance Procedure:

Maintenance work can be completed anytime between September 1– October 1. This work will include an annual top dressing of 13-13-13 fertilizer (250 lbs. /acre) and bushhogging the right-of-way.

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Planting Procedure: Spring-Summer

This mixture should be planted March 1 – September 1

1. After completion of pipeline installation the soil should be worked well by disking three times.

After soil has been worked, spread lime (1 ton/acre), and fertilizer (400 lbs. /acre 13-13-13). Again work with disk to mix lime and fertilizer.

After proper amounts of fertilizer and lime have been applied, broadcast: Alyce Clover 30 lbs./acre (inoculate), Joint Vetch 20 lbs./acre (inoculate), Catjang Pea 20 lbs./acre (inoculate), Bahia grass 20 lbs./acre, and Browntop Millet 30 lbs./acre.

4. Cover seed lightly with roller or cultipacker. Do not cover with disk! Poor germination will result.

Annual Maintenance Procedure:

Maintenance work can be completed anytime between February 15– April 15. This work will include an annual top dressing of 13-13-13 fertilizer (250 lbs. /acre) and bushhogging the right-of-way:

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FILED FOR RECORD  
SAN AUGUSTINE COUNTY  
SAN AUGUSTINE, TEXAS

2010 DEC 13 PM 2 15

DIANA KOVAR  
COUNTY CLERK

BY Pat Bullock DEPUTY

FILED 195 PAGE 0260