

FACSIMILE OF FORM PTO-1595

RECORDATION FORM COVER SHEET

U.S. DEPARTMENT OF COMMERCE
PATENT AND TRADEMARK OFFICE

PATENTS ONLY

To the Honorable Commissioner for Patents: Please record the attached original documents or copy thereof.

1. Name of conveying party(ies):
Marathon Oil Company
Additional name(s) of conveying party(ies) attached? Yes No

2. Name and address of receiving party(ies):
Name: **Kinder Morgan SACRO LP**
Internal Address: _____
Street Address: **One Allen Center, 500 Dallas, Suite 1000,**
City: **Houston,** State/Zip Code: **Texas 77002**
Additional name(s) & address(es) attached? Yes No

3. Nature of conveyance:
 Assignment Merger
 Security Agreement Change of Name
 Other - License Agreement
Execution Date: **November 1, 2003**

4. Application number:
If this document is being filed together with a new application, the execution date of the application is:
A. Patent Application No(s).
Attorney Docket No. _____

B. Patent No(s).
5,778,977

Additional numbers attached? Yes No

5. Name and address of party to whom correspondence concerning document should be mailed:
Name: **Kimberly L. Brown**
Internal Address: **Bracewell & Patterson, L.L.P.**
P. O. Box 61389 [77208-1389]
Street Address: **711 Louisiana, Suite 2900**
City: **Houston** State: **TX** Zip: **77002**

6. Total number of applications and patents involved: **1**

7. Total fee (37 C.F.R. § 3.41) \$ **40.00**
 Enclosed
 Authorized to be charged to deposit account

8. Deposit account number:
50-0259 (Order No. 46614.097)
(Attach duplicate copy of this page if paying by deposit account)

DO NOT USE THIS SPACE

9. Statement and signature.
To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.
Kimberly L. Brown
Kimberly L. Brown Reg. No. 48,698
11/26/03
Date

Total number of pages including cover sheet, attachments and document: 7

Mail documents to be recorded with required cover sheet information to:
Commissioner of Patents & Trademarks, Box Assignments
Washington, D.C. 20231

CIH \$40.00 500259 5778977

EOR PROCESS LICENSE AGREEMENT

THIS AGREEMENT dated effective as of November 1, 2003 is between Marathon Oil Company (hereinafter referred to as "MARATHON"), having offices at 555 San Felipe, Houston, Texas 77056 and Kinder Morgan SACROC LP (hereinafter referred to as "KM"), having offices at One Allen Center, 500 Dallas, Suite 1000, Houston, Texas 77002.

WHEREAS, MARATHON, has conceived of and developed an enhanced oil recovery method utilizing gravity concentrated carbon dioxide;

WHEREAS, MARATHON has practiced this enhanced oil recovery method using gravity concentrated carbon dioxide at the Yates Field in Pecos and Crockett Counties, Texas, U.S.A.;

WHEREAS, MARATHON has obtained a United States Patent which claims this enhanced oil recovery method using gravity concentrated carbon dioxide;

WHEREAS, KM is purchasing MARATHON's interest in the Yates Field from MARATHON pursuant to the Purchase and Sale Agreement dated effective November 1, 2003 among MARATHON, Marathon Oil (West Texas), L.P., and Kinder Morgan SACROC LP (the "Yates PSA"); and

WHEREAS, KM desires to practice this enhanced oil recovery method using gravity concentrated carbon dioxide at the Yates Field after the purchase of Yates from MARATHON is consummated.

NOW, THEREFORE, in consideration of the above premises, and other good and valuable consideration, the receipt and sufficiency thereof which is hereby acknowledged, the parties agree as follows:

ARTICLE I

DEFINITIONS

As used herein, the following terms shall have the following meanings:

1.01 "MARATHON" shall mean Marathon Oil Company and any parent company that owns fifty percent (50%) or more of the equity of Marathon Oil

Company or a company that is owned totally or partially by Marathon Oil Company or any such parent Company thereof through ownership of fifty percent (50%) or more of the equity.

1.02 "KM" shall mean Kinder Morgan SACROC LP and any parent company that owns fifty percent (50%) or more of the equity of Kinder Morgan SACROC LP or a company that is owned totally or partially by Kinder Morgan SACROC LP or any such parent Company thereof through ownership of fifty percent (50%) or more of the equity.

1.03 "EOR Process" means an enhanced oil recovery process utilizing gravity concentrated carbon dioxide.

1.04 "Patent Rights" shall mean U.S. Patent No. 5,778,977 ("the '977 Patent") entitled "Gravity Concentrated Carbon Dioxide for Process" which was filed on January 3, 1997, issued on July 14, 1998 and is assigned to MARATHON, any patents, divisions, continuations, or continuations in part, reexaminations or reissues thereof, and patent applications corresponding to '977 Patent.

1.05 The "Effective Date" of this Agreement shall be the Effective Date under the Yates PSA.

1.06 The "Licensed Field" shall mean the Yates Field, Pecos and Crockett Counties, Texas, U.S.A.

ARTICLE II

GRANT

2.01 MARATHON hereby grants to KM, and KM hereby accepts a non-exclusive, royalty free right to use the EOR Process only in the Licensed Field and the right to make, have made, manufacture, have manufactured, import, export, sell, offer to sell, use, and otherwise dispose of in any country the products from the operation of the EOR Process in the Licensed Field free from suit for any infringement of Patent Rights. The Patent Rights are owned by

MARATHON free from liens, encumbrances or other restrictions on transfer. MARATHON has all rights necessary to grant this license with respect to the Patent Rights. MARATHON warrants that it prosecuted the application for the Patent Rights with the duty of candor required under 37 C.F.R. 1.56. MARATHON warrants that, to the best of its knowledge and belief, as of the Effective Date the '977 Patent is the only patent required to practice the EOR Process at the Yates Field.

ARTICLE III

TERM

3.01 This Agreement shall remain in effect until the expiration of Patent Rights or a final adjudication by a court of competent jurisdiction that the Patent Rights are invalid, whichever occurs first. Nothing in this Agreement shall impose any obligation upon MARATHON to maintain the Patent Rights.

ARTICLE IV

MISCELLANEOUS

4.01 This Agreement is personal to MARATHON and KM and neither party shall assign the same except (i) with the written permission of the other party or (ii) KM's assignment permitted under the Yates PSA. In the case of an authorized assignment, the assignment shall incorporate the terms of this Agreement. Such assignment shall not be effective unless and until the assignee has consented to observe in favor of the non-assigning party the obligations herein imposed on or accepted by the assigning party.

4.02 Any notices to be made hereunder are to be forwarded first class mail to the following addresses:

MARATHON

Marathon Oil Company
555 San Felipe
Houston, Texas 77056
ATTN: S.B. Hinchman

KM

Kinder Morgan SACROC LP
One Allen Center
500 Dallas, Suite 1000
Houston, TX 77002
ATTN: President

The address of any party can be changed by the moving party giving the other party written notice of the change of address.

4.03 MARATHON DOES NOT GRANT ANY IMPLIED OR EXPRESS WARRANTY TO KM REGARDING THE UTILITY OF THE EOR PROCESS.

4.04 Nothing in this Agreement shall be construed as granting KM any rights, expressed or implied, to use the EOR Process other than in the Licensed Field.

4.05 MARATHON and KM agree to comply with all appropriate local, state and federal laws, directives and regulations.

4.06 MARATHON makes no express or implied warranty regarding the use of the EOR Process that may be obtained as a result of this Agreement or that the apparatus or methods used to practice such EOR Process are free from infringement of any active patent claims.

4.07 MARATHON and KM each represent that it has a right to enter into this Agreement and that each signatory hereto can legally obligate its representative company to the conditions as set forth herein.

4.08 The making, execution and delivery of this Agreement has not been induced by any representation, statements, warranties, agreements, or understandings other than those expressly set forth herein, and all such

representations, statements, warranties, agreements, and understandings not expressly set forth herein are expressly disclaimed by both parties. This Agreement embodies the entire agreement and understanding and there are no other agreements or other understandings, written or oral, in effect between the parties relating to the subject matter hereof

4.09 This Agreement can only be amended, modified or supplemented by an instrument in writing signed by duly authorized officers of the respective parties.

4.10 KM assumes sole responsibility for and agrees to defend and hold MARATHON indemnified and harmless from and against any loss, expense, claim or demand for injury to or death of persons or damage to or loss of property in any way arising out of or in connection with the performance by KM or its employees, agents or representatives or subcontractors regarding services provided by KM or its employees, agents or representatives or sub-contractors to third parties involving the EOR Process.

4.11 This Agreement is executed and delivered in the State of Texas and it is the intention of the parties hereto that it be construed, interpreted and enforced in accordance with the laws of the state of Texas without giving effect to conflicts of laws.

4.12 It is not the intent of the parties to create a partnership, joint venture, association or trust of any sort. The duties, obligation, benefits, and liabilities of the parties hereto shall be several and not joint and collective and each party shall be individually responsible for its own obligations.

[Signature Page – EOR Process License Agreement]

IN WITNESS WHEREOF, the parties execute this Agreement by their below-indicated signatures on the dates proximate thereto, but this Agreement shall have the Effective Date above provided.

KINDER MORGAN SACROC LP

MARATHON OIL COMPANY

BY: Kinder Morgan SACROC GP LLC,
Its sole general partner

By:

[Signature]
R. Sahni

Title:

Attorney-In-Fact

TCL

BY:

[Signature]
R. T. Bradley, President