

FEB 1 8 2010

SURFACE USE AND RELEASE AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

The undersigned represents and warrants to be the Owner of the ALL of Section 7, T10N-R61W, Weld County, Colorado, and that for and in consideration of the payment of Three Thousand Dollars (\$3,000.00) by Petro-Canada Resources (USA) Inc., hereinafter referred to as "PCR", which said payment will be made to Owner prior to the start of any dirt work to build the each drillsite(s) location, does hereby release, discharge and acquit said PCR from all liability to the undersigned for damages claimed by the undersigned arising or caused by the drilling, completing, surface and drilling pit reclamation, setting of pumping unit and/or other method of producing, burying of lines, constructing battery facilities and access roads

Pursuant to the orders, rules and regulations of the Colorado Oil and Gas Conservation Commission, prior to commencement of any operations being conducted on said lands by PCR, its successors, or assigns, Owner shall be contacted and advised of the proposed operations, access route and timing. All operations and access roads shall be conducted in such a manner as to minimize conflicts with Owner's ranching operations.

PCR shall comply with all orders, rules and regulations of the Colorado Oil and Gas Conservation Commission and agrees that it will restore all lands utilized in its drilling activities as to near its former conditions as practicably possible, said restoration shall commence as soon as practicably possible as allowed by weather and soil conditions.

If cattle will be present in the pasture during drilling operations PCR agrees to fence the pits for the drilling rig and install cattle guards as needed. Drilling mud will be allowed to dry in the open pits prior to burial and final reclamation. All disturbed fencing will be repaired to Owner's satisfaction.

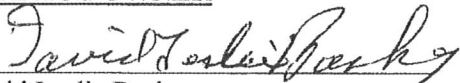
PCR agrees to confer with Owner on what fencing, including cattle guards, is necessary to keep livestock out of, or away from, producing well equipment or drilling operations. PCR shall build such fence as agreed between the parties.

If crops are present during the drilling operations PCR agrees to pay the actual value of the lost crops, in addition to the \$3000.00.

In the event that some or all of the lands covered by this Agreement are enrolled in the Conservation Reserve Program (CRP) of the U. S. Department of Agriculture, PCR shall comply with the rules and notification procedures of that program insofar as the same may apply to the operations of PCR on the enrolled lands. PCR shall compensate Owner for CRP penalties or CRP withdrawal reimbursements resulting directly from PCR's operations. PCR agrees that the well site will be restored by to the original contour as nearly as is reasonably practicable, and re-seeded with seed mixture that meets CRP requirements.


EXECUTED this 2 day of 11-2010, 2010.

SURFACE OWNER


David Leslie Bashor

OPERATOR

Petro-Canada Resources (USA) Inc.


By: Ryan D. Antonio