

TRUE OIL LLC

455 NORTH POPLAR STREET

May 6, 2010

P.O. DRAWER 2360
CASPER, WY 82602
(307) 237-9301
FAX: (307) 266-0325

COPY

Mr. Ralph Baird
676 Legion St.
Craig, CO 81625

RE: Surface Use Agreement
Breeze Unit # 23-15
Township 6 North, Range 89 West
Section 15: NE/4SW/4
Routt County, CO

Dear Mr. Baird:

Per our conversation, this letter will constitute an agreement between True Oil LLC hereinafter referred to as "True" and Ralph Baird, hereinafter referred to as "Baird", with respect to an oil and/or gas well location, access road and damage compensation for the drilling of the said oil well.

(1) Prior to any operations by True on said well, True agrees to compensate Baird for True's well location damages in the amount of five thousand dollars (\$5,000.00). In addition, True agrees to pay Baird five dollars (\$5.00) per rod for the right of way and damage compensation for the access road leading to said location. Said payments will constitute full damage compensation by True for the drilling, operating, and completing of said well drilled by True, or caused to be drilled by True on the captioned lands. Said payment shall give True the right to produce, maintain, and operate said well and related facilities without any further payments for damage compensation for said well and shall give True the right of ingress and egress across said access road owned and controlled by Baird to said well. Furthermore, the reserve pit for said well will be fenced on three sides during the drilling operation of said well and on the forth side upon rig release. Said fence will be maintained by True to prevent livestock and wildlife from gaining access to the reserve pit up to that point in time when the reserve pit is reclaimed. In addition it is expressly understood by True and Baird that this agreement shall be nonexclusive for the captioned well. Furthermore, should additional lands or property be disturbed by True's operation, True will compensate Baird for said additional disturbances.

(2) True will and does hereby agree to indemnify, hold and save Baird harmless from all liability, claims, demands or damages, including attorney's fees, resulting from or arising out of True's activities or operations on the captioned lands. All work performed by True shall be conducted by True at its own risk and expense.

(3) True agrees that no animals, alcohol, drugs, firearms or hunting will be allowed on the captioned lands by True employees, its agents, contractors and service company personnel.

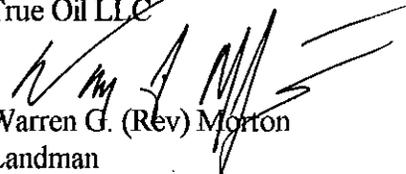
(4) True agrees to keep the locations and roads in good order and free of litter, debris and noxious weeds. In addition True will upgrade said access road for True's drilling operations and should True complete said well as a producer of oil and/or gas True will crown, ditch, and gravel the access road leading to said well, and recontour and reseed lands surrounding the production facilities for said well.

(5) In the event a well is plugged and abandoned, True agrees to restore and reseed the location and access road to as close to its original condition or better as is reasonably possible in accordance with the State of Colorado's laws and regulations.

(6) This agreement shall inure to the benefit of, and be binding upon, the parties' successors, assigns and heirs.

Should the above terms be acceptable to Baird please so indicate your acceptance of this letter agreement by signing both copies of this letter agreement in the space provided below and return one copy of this letter agreement to the undersigned. You may retain the second copy for your files.

Very Truly Yours,
True Oil LLC


Warren G. (Rev) Morton
Landman

COPY

Acknowledged and accepted this ___ day of _____, 2010

By: _____
Ralph Baird

Tax ID Number _____