

**SURFACE USE AGREEMENT**

This Agreement is made and entered into this 11<sup>th</sup> day of April, 2011, by and between D & S Partnership, a Colorado General Partnership ("Owner"), whose mailing address is 50320 County Road S, Eckley, CO 80727 and Rosewood Resources, Inc. (hereinafter referred to as "Rosewood") whose address is 2711 N. Haskell Avenue, Suite 2800, Dallas, Texas, 75205, collectively, the "Parties".

**WITNESSETH:**

For and in consideration of the covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

- 1. Rosewood intends to drill or cause to be drilled an oil and/or gas well ("Well") on the following described lands ("Lands"):

**Legal Description:**

NE/4 SE/4 Section 22-T4N-R46W  
Approximately 425' FEL and 2,020' FSL (see attached plat)  
Well: D & S #43-22  
Yuma County, Colorado

- 2. In order for Rosewood to drill, construct, complete, produce, maintain and operate the Well and all pipelines, power lines, and other facilities or property of Rosewood associated with the Well, it is necessary that Rosewood enter and utilize the Lands. The Parties hereby agree as to compensation for damages, entry and surface use therefor.
- 3. Rosewood shall pay Owner the sum of ("Amount"). Owner hereby acknowledges that the Amount represents full, final and agreed consideration for any and all surface damages resulting from Rosewood's operations on the Lands. The Amount is also hereby acknowledged by Owner as full, final and agreed consideration for any and all damages caused or created by reason of the reasonable and customary ingress, egress, rights-of-way, drilling, completion, production and maintenance operations, well locations, and any and all related pipelines, or any other facilities constructed by Rosewood on the Lands. (Payment set out above shall be made as follows, but not more than 30 days prior to drilling operations :)

**100% to: D & S Partnership, a Colorado General Partnership  
c/o Donald & Stacy Brophy  
50320 County Road S  
Yuma, CO 80727**

- 4. Rosewood shall pay /rod for flow lines installed, except for those portions of the flow line that utilize the same ingress/egress routes used for the drilling and completion of the well. Rosewood shall bury all pipe lines below normal plow depth Rosewood further agrees to use its best efforts to restore said premises, as close as reasonably possible, to its original contour and condition.
- 5. Rosewood agrees to consult with "Owner" as to routes of ingress/egress for any wells drilled on the above described lands, in an attempt to minimize damages to the above described lands. Owner agrees not to unnecessarily withhold his consent as to routes of ingress/egress.
- 6. By signing below the surface owner waives the notification requirements of Rule 305 and acknowledges that upon receipt of this SUA Rosewood Resources, Inc. may proceed with drilling at their discretion after providing at least 10 days prior notice to surface owner.
- 7. Except as to any extraordinary or unanticipated loss or damage, Owner does hereby release and hold harmless Rosewood from any and all liability of any nature and further payment for damages on the Lands which arise or may arise from, out of, or in connection with the Well or any pipelines, or other facilities constructed by Rosewood on the Lands for so long as operations are being conducted by Rosewood, its agents, successors or assigns.
- 8. Owner hereby agrees that by its payment of the Amount, Rosewood has fully complied with the applicable governmental regulations and statues, if any, relating to the settlement of the damages contemplated herein.
- 9. Notice by either Party shall be promptly given, orally if possible, and immediately mailed to:

**Owner**

D & S Partnership,  
a Colorado General Partnership  
50320 County Rd S  
Eckley, CO 80727  
(970) 359-2482

**Rosewood**

Rosewood Resources, Inc.  
Attn: Land Department  
2101 Cedar Springs Road, Suite 1500  
Dallas, TX 75201  
(214) 849-9319

This Agreement shall be binding upon and shall inure to the benefit of the Parties, their respective successors, agents, assigns and buyers.

IN WITNESS WHEREOF, the Parties hereunto set their hands, the day and year first above written.

**D & S Partnership, a Colorado General Partnership**

**Rosewood Resources, Inc.**

By: Donald Rea Brophy  
Donald Rea Brophy - Partner

By: Dean Jarrett  
Dean Jarrett, Landman

By: Stacy Dawn Brophy  
Stacy Dawn Brophy - Partner