

## MEMORANDUM OF WATER INJECTION AGREEMENT

This MEMORANDUM OF WATER USE AGREEMENT (the "Memorandum") is made and executed as of this 5<sup>th</sup> day of February, 2012, to evidence that:

The undersigned entered into that certain Water Injection Agreement (the "Agreement") entered into effective the 1<sup>st</sup> day of February 2012, by and between Clough Sheep Company, LLC, with an address of P.O. Box 686, Rifle, CO 81650 ("Clough"), and WPX Energy Rocky Mountain, LLC, formerly known as Williams Production RMT Company LLC, with an address of 1058 County Road 215, Parachute, Colorado 81635 ("WPX"), stating, among other things, that:

1. Clough is the surface owner of a portion of the following lands:

Township 6 South, Range 94 West, 6th P.M.  
Sections 20, 21 and 29  
Garfield County, Colorado

(the "Lands").

2. WPX is the owner and operator of the following gas wells located on the Lands:

Clough #RMV 215-21  
Township 6 South, Range 94 West, 6th P.M.  
Section 21: NE $\frac{1}{4}$ SW $\frac{1}{4}$

Clough #RWF 623-21  
Township 6 South, Range 94 West, 6th P.M.  
Section 21: NE $\frac{1}{4}$ SW $\frac{1}{4}$

Clough #RWF 434-21  
Township 6 South, Range 94 West, 6th P.M.  
Section 21: SW $\frac{1}{4}$ SE $\frac{1}{4}$

(the "Wells" or "Wellpads", as the case may be).

3. The Agreement grants WPX the right, among other things, to convert the Wells into water injection wells for the purpose of storing and disposing of production water into the Upper Williams Fork Formation from WPX's oil and gas operations, along with an easement of egress and ingress to the Wells and the right to place equipment and necessary facilities on the subject Wellpads.
4. Additionally, in the event the Wells are not suitable for water injection into the Upper Williams Fork Formation, the Agreement grants WPX the right to drill and complete up to three water injection wells on Clough's surface estate located in Sections 20 and 21, Township 6 South, Range 94 West, 6th P.M.

This Memorandum is being executed by the Parties for the primary purpose of recording and thus advising all interested parties of the existence and validity of such Water Injection Agreement, the exact terms and conditions of which are more fully stated in the unrecorded instrument on file with the respective parties and, that this Memorandum shall constitute notice to all parties of the existence of this Agreement as though it was described in total detail herein.

IN WITNESS WHEREOF, the Parties have executed this Memorandum as of the date first above written.

Surface Owner:

Operator:

Clough Sheep Company, LLC

WPX Energy Rocky Mountain, LLC

By: 

Name:

Title:

Date:

David B. McKee

Mgr.

2/1/12

By: 

Name: Bryan S. Hotard

Title: Attorney-In-Fact

Date:

2/1/12

On this 1ST day of February, 2012, before me, the undersigned, a Notary Public in and for said County and State, personally appeared David Ryan McKinzie, known to me to be the person whose names is subscribed to the foregoing instrument and acknowledged to me that he executed same in the capacity of manager for Clough Sheep Company, LLC.

*Myron Holand*

**BRYAN HOTARD**  
**NOTARY PUBLIC**  
**STATE OF COLORADO**  
My Commission Expires 12/08/2013

Just R. Hall

JUSTIN R. HALL  
NOTARY PUBLIC  
STATE OF COLORADO  
My Commission Expires 05/16/15