

MEMORANDUM OF SURFACE USE AGREEMENT

State: Colorado

County: Moffat

Owner: Andrew Peroulis and Argie T. Peroulis as individuals and as Managers of the Andy and Argie Peroulis Family Limited Partnership, a Colorado Limited Partnership

Operator: Axia Energy, LLC, 1430 Larimer Street, Suite 400, Denver, Colorado 80202

Effective Date: May 1, 2012

As of the Effective Date stated above, Owner, named above, executed and delivered to Operator, named above, a Surface Use Agreement (the "SUA") in which Owner has granted Operator certain rights to access the lands described below ("The Lands") for the purpose of exploring for and producing oil and gas from its oil and gas leases underlying the Lands and to construct drill pads, to drill oil and gas wells, and to construct and maintain associated production facilities, including pipelines. The Lands, all of which are situated in Moffat County, Colorado, are described as follows:

Township 7 North Range 92 West 6th PM

Section 3: Lots 5, 6, 7, 8, S/2N/2, NW/4SE/4, SW/4

Section 4: Lot 7, S/2NE/4, SE/4NW/4, S/2

Section 5: E/2SE/4

Section 8: E/2NE/4

Section 9: N/2

Section 10: NW/4NW/4

Township 8 North Range 92 West 6th PM

Section 5: Lots 7, 8, 9, 10, 16

Section 6: Lots 8, 15, 16, 17, 18, 19, 20, 21, 22, 24, 25, W/2SE/4, E/2SW/4

Section 7: Lots 7, 8, E/2SW/4, SE/4

Section 17: SW/4NW/4, W/2SW/4, NE/4SW/4, NW/4SE/4, E/2SE/4, SE/4NE/4

Section 18: Lots 5, 6, 7, 8, E/2W/2, E/2

Section 19: Lots 5, 6, 7, 8, E/2W/2, E/2

Section 20: S/2NW/4, N/2SW/4, SW/4SW/4

Section 29: E/2E/2, SW/4NE/4, W/2SE/4, SW/4, W/2NW/4

Section 30: Lots 6, 7, E/2NW/4, NE/4, SE/4, N/2SW/4

Section 31: NE/4, NE/4SE/4

Section 32: NW/4, N/2SW/4, W/2NE/4, NW/4SE/4

Section 33: S/2NE/4, N/2SE/4, SE/4NW/4, NE/4SW/4, SE/4SE/4

Section 34: S/2SW/4, SE/4

Township 8 North Range 93 West 6th PM

Section 1: Lots 13, 14, SW/4

Section 2: Lots 14, 15, 16, SE/4, SW/4

Section 3: E/2SE/4, E/2W/2SE/4

Section 11: N/2N/2

Section 12: N/2NW/4, E/2SW/4, SE/4

Section 13: E/2, SW/4, S/2NW/4NW/4, N/2SW/4NW/4, E/2NW/4

Section 24: E/2, N/2NW/4, NE/4SW/4

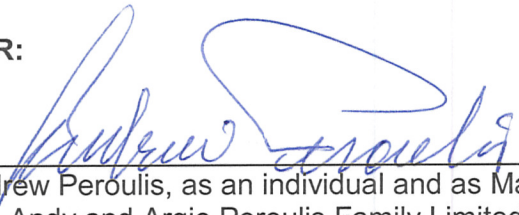
Section 25: NE/4NE/4

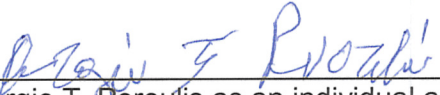
This SUA shall terminate upon the later of: (i) the expiration or termination of the underlying oil and gas leases held by Operator, its successor or assigns; or (ii) upon completion of final reclamation on the lands by Operator, its successors or assigns.

This Memorandum of Surface Use Agreement is executed by Owner and Operator and placed of record in the county in which the Lands are located for the purpose of placing all persons on notice of the existence of the Surface Use Agreement, which is not, at the request of both parties, being filed of record.

This Memorandum is signed by Lessor and Lessee as of the date of the acknowledgment of their signatures below, but is effective for all purposes as of the Effective Date stated above.

OWNER:

By: 
Andrew Peroulis, as an individual and as Manager of
The Andy and Argie Peroulis Family Limited Partnership

By: 
Argie T. Peroulis as an individual and as Manager of
The Andy and Argie Peroulis Family Limited Partnership

OPERATOR:

AXIA ENERGY, LLC

By: 
Tab McGinley, Vice President of Land

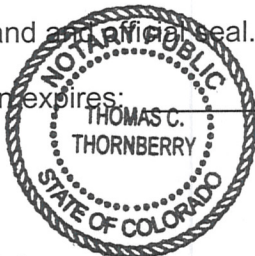
Acknowledgement

STATE OF COLORADO)
)
COUNTY OF Mottet)

The foregoing instrument was acknowledged before me this 22ND day of May, 2012 by Andrew Peroulis and Argie T. Peroulis as individuals and as Managers of the Andy and Argie Peroulis Family Limited Partnership, a Colorado Limited Partnership.


Witness my hand and official seal.

My commission expires:



My Commission Expires 05/13/2014

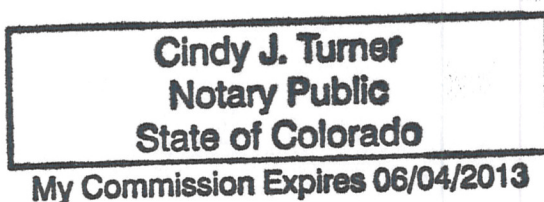
STATE OF COLORADO)
)
COUNTY OF DENVER)

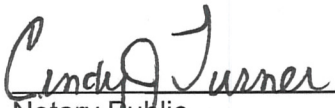

Notary Public

The foregoing instrument was acknowledged before me this 21ST day of MAY, 2012, by Tab McGinley, appearing herein in his capacity as Vice President of Land of Axia Energy, LLC

Witness my hand and official seal.

My commission expires: 6-4-2013




Notary Public

Address: 1430 Larimer Street
Suite 400
Denver, Colorado 80202_