

**MEMORANDUM of SURFACE USE and DAMAGES AGREEMENT and  
EASEMENT**

State: Colorado

County: Lincoln

Effective October 15, 2012, Pine Ridge Oil and Gas, LLC whose address is 600 17<sup>th</sup> Street, Suite 800-S, Denver, CO 80202, ("Pine Ridge"), and Wilma P. Mosher, , whose address is 36700 County Road 2G, Hugo, Colorado 80821("Surface Owner") entered into a confidential Surface Use and Damages Agreement and Easement ("The Agreement").

The Agreement references the following lands ("The Lands"):

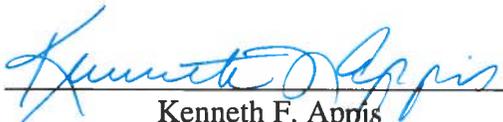
Township 13 South, Range 54 West, 6<sup>th</sup> P.M.  
Section 12: NW/4

Lincoln County, Colorado

The Surface Owner has, by The Agreement, granted Pine Ridge the right to drill and complete oil gas wells, to construct, install and maintain production equipment and facilities such as electric lines, flow lines, gas pipelines, separators, treaters, tank batteries and any other facilities necessary or convenient for the production, transportation, gathering and sale of oil and/ or gas from the Wells on The Lands, and;

Pine Ridge, its Successors and Assigns agree to execute and deliver to the Surface Owner, upon termination of its use of The Lands, a release, suitable for recording, to terminate the rights contained therein.

IN WITNESS WHEREOF, I have set my hand effective as of the day and year first above written.

  
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Kenneth F. Appis  
Director of Land and Business Development  
Pine Ridge Oil & Gas, LLC

10-30-12