

## DECLARATION OF POOLING

This Declaration of Pooling ("Declaration") is made and entered into as of December 6, 2012 (the "Effective Date") by Cascade Petroleum LLC, whose address is 1331 17<sup>th</sup> Street, Suite 400, Denver, Colorado 80202 ("Lessee").

WHEREAS, Lessee is the present owner of the oil and gas leases identified and described on Exhibit "A", attached hereto and made a part hereof, as such leases may be may be extended, renewed, amended or ratified (the "Leases");

WHEREAS, each of the Leases grant Lessee the right, power and authority to pool, consolidate, combine and unitize said Leases and the lands covered thereby, or any portion thereof, with other lands or leases in the vicinity thereof, so as to create a pooled unit or units of the size and type herein described for the exploration, operation, development and production of oil, gas and associated hydrocarbons; and

WHEREAS, it is necessary and advisable, in the judgment of Lessee, to pool, consolidate, combine and unitize said Leases in order to properly operate the Pooled Area for the exploration, operation, development and production of oil, gas and associated hydrocarbons in, and under, that may be produced from the Pooled Area, as defined below.

NOW, THEREFORE, Lessee, acting under and by virtue of the power and authority conferred and granted by the provisions of the Leases, does hereby pool, consolidate, combine and unitize the Leases into a single unit for the purpose of developing, operating, producing, storing, processing, and marketing oil, gas and associated hydrocarbons ("Pooled Substances") from the following described lands (the "Pooled Area"):

Township 10 South, Range 56 West, 6<sup>th</sup> P.M.  
Section 22: NW

Lincoln County, Colorado

Containing 160.00 acres, more or less, as shown on the plat attached as Exhibit "B"

The Pooled Area shall be developed and operated as an entirety. Notwithstanding the preceding sentence, nothing contained herein shall authorize or affect any transfer of title to any mineral interest, royalty interest, overriding royalty interest, working interest or other interest pooled pursuant to this Declaration.

Operations or production pursuant to this Declaration shall be deemed to be operations or production under each of the Leases. There shall be no obligation on Lessee to offset any well or wells completed on the separately leased tracts into which the Pooled Area is now or may hereafter be divided, nor shall Lessee be required to separately measure Pooled Substances because of diverse ownership.

The royalty interests, overriding royalty interests, and other interests in production which now exist or which may hereafter be created, accruing or payable with respect to production of Pooled Substances from the Pooled Area shall be determined by allocating such production to the separately leased tracts into which the Pooled Area is now or may hereafter be divided. The portion of production allocated to each separate tract shall be the portion that the total number of surface acres contained in the tract bears to the total number of surface acres in the Pooled Area. The royalty interests, overriding royalty interests or other interests in production which burden the working interest in each tract shall accrue to and be paid based upon and out of that portion of the production so allocated in the same manner and to the same extent as though the production so allocated to each separately leased tract had been produced from such tract under the terms of the Lease(s) covering such tract.

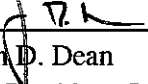
Lessee specifically reserves the right to correct, revise or amend this Declaration as deemed necessary at the discretion of Lessee, including but not limited to, (i) revising the size or configuration of the Pooled Area, (ii) revising the depths or formations covered by this Declaration, or (iii) pooling any additional oil and gas leases or other interests covering the Pooled Lands that are acquired by Lessee subsequent to the Effective Date. Any such amendment shall be filed in the Lincoln County Records.

The Pooled Area may be dissolved by Lessee, at any time and for any reason, by an instrument filed in the Lincoln County Records

This Declaration may be ratified by other parties owning an interest in the Leases or the Pooled Area by separate instruments in writing, referring to this Declaration, and filed in the Lincoln County Records.

This Declaration shall be effective as of the Effective Date and shall continue in force so long as any of the Leases continue in force in accordance with their respective terms, unless sooner terminated in writing by Lessee. The terms and provisions of this Declaration shall inure to the benefit of, and shall be binding upon, Lessee and all of those owners of interests pooled by this Declaration, and their respective heirs, successors, and assigns.

**CASCADE PETROLEUM LLC**

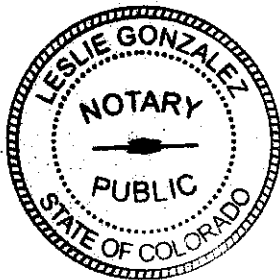
By:   
Name: Jason D. Dean  
Title: Vice President, Land

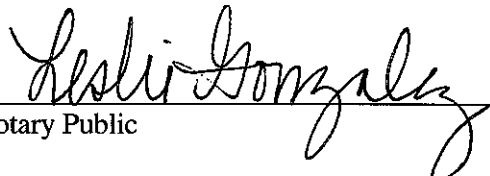
STATE OF COLORADO           §  
CITY AND                       §  
COUNTY OF DENVER       §

The foregoing instrument was acknowledged before me this 30th day of November, 2012, by Jason D. Dean, appearing herein in his capacity as Vice President, Land of Cascade Petroleum LLC, a Delaware limited liability company, on behalf of said company.

Witness my hand and official seal.

My commission expires: 3/15/2016



  
Notary Public

## **Exhibit "A"**

Attached to and made a part of that certain Declaration of Pooling dated December 6, 2012

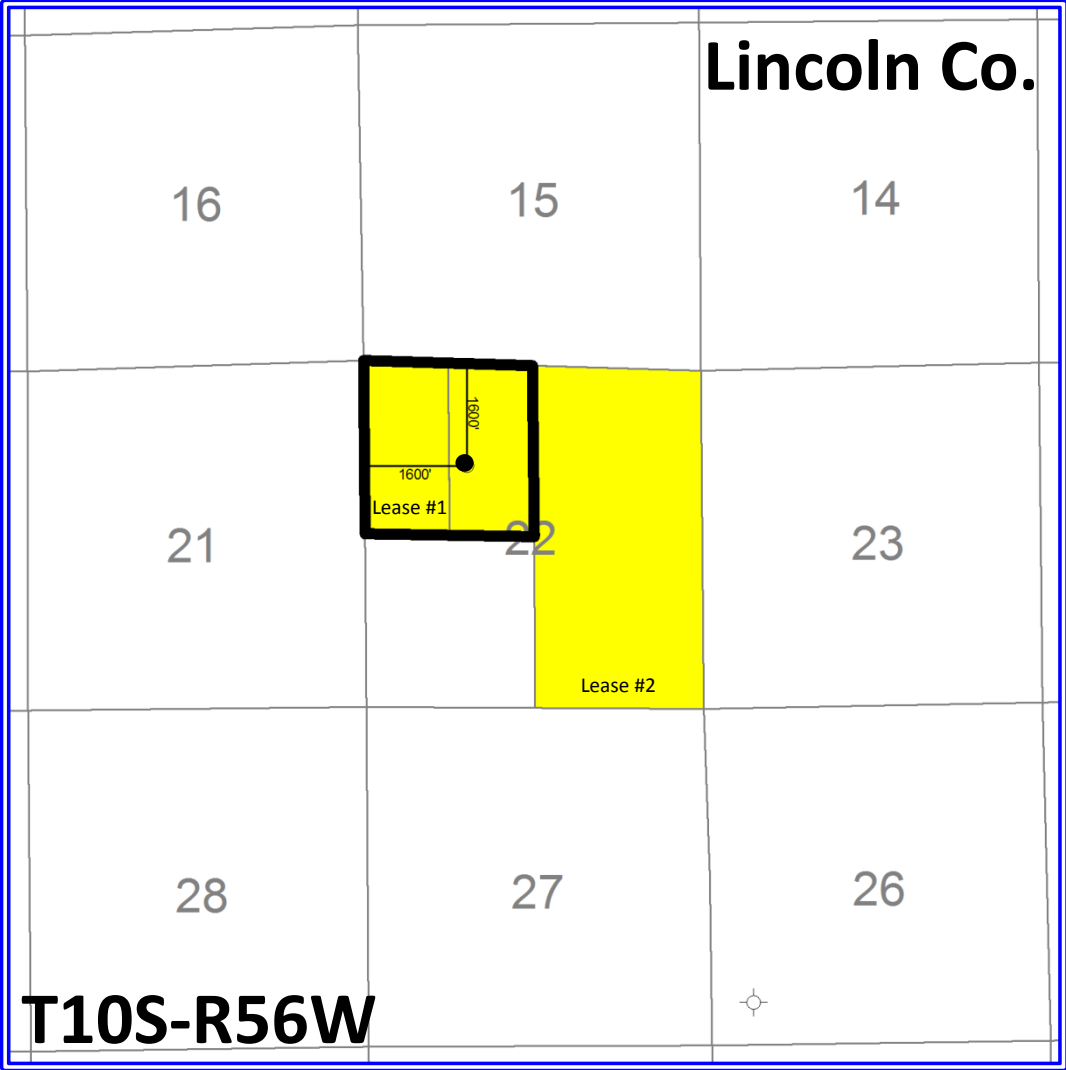
### **Lease No. 1**

Original Lessor: State of Colorado, acting by and through the State Board of Land Commissioners (Lease No. 9578.8)  
Original Lessee: Wiepking-Fullerton Energy, LLC  
Current Lessee: Cascade Petroleum LLC  
Lease Date: May 22, 2008  
Effective Date: May 22, 2008  
Current Description: Township 10 South, Range 56 West, 6<sup>th</sup> P.M.  
Section 22: W2NW  
Containing 80 acres, more or less  
Recording Info: Lease was recorded on July 24, 2008 as Instrument Number 329878 in the records of Lincoln County, Colorado  
Lessee Lease No.: CO-001-1010

### **Lease No. 2**

Original Lessor: Forristall Ranch, Inc., a Colorado Corporation  
Original Lessee: Wiepking-Fullerton Energy, L.L.C.  
Current Lessee: Cascade Petroleum LLC  
Lease Date: February 15, 2010  
Effective Date: February 15, 2010  
Current Description: Township 10 South, Range 56 West, 6<sup>th</sup> P.M.  
Section 22: E2, E2NW  
Containing 400 acres, more or less  
Recording Info: Lease was recorded on February 18, 2010 as Instrument Number 333059 in the records of Lincoln County, Colorado  
Lessee Lease No.: CO-001-1462

Exhibit “B”



● Surface Hole Location

□ Pooled Area

■ Cascade Leasehold


  
**CASCADE PETROLEUM**

Exhibit B

Lincoln County, Colorado

Section 22, Township 10S, Range 56W

Forristall State 22-10S-56W-01

0 3,000 6,000 9,000  
FEET

December 10, 2012