

RECLAMATION – SATISFACTION AND RELEASE AGREEMENT

This Release of Reclamation Agreement ("Agreement"), dated as of September 30th, 2013, but made effective as of March 1st, 2013, is by and between Chandler Creek Companies, a Colorado partnership, Daniel L. Slanovich and Gus J. Slanovich (collectively referred to herein as "Chandler") whose address is P.O. Box 370286, Denver, Colorado and Strata-X, Inc. ("Strata-X") whose address is 1550 Larimer St #263, Denver, CO 80202. Chandler and Strata-X may be referred to collectively as the "Parties."

RECITALS

- A. The Parties entered into an Oil and Gas Lease ("Lease") dated March 1st, 2011, that leased lands containing the Slanovich 32-23P and Slanovich 32-23 well sites on which drilling and production facilities were constructed and operated by Strata-X.
- B. Prior to the Lease expiration on March 1st, 2013, Strata-X plugged and abandoned the Slanovich 32-23P and Slanovich 32-23 oil and gas wells and reclaimed such well sites to the specifications requested by Chandler ("Lease Reclamation area").
- C. In September 2013, Strata-X was contacted by the Colorado Oil and Gas Conservation Commission ("COGCC") and ordered to the Lease Reclamation area to perform continued reclamation as necessary to ensure compliance with COGCC Series 1000- Reclamation Regulations.
- D. After receiving the aforementioned order from COGCC, Strata-X contacted a representative of Chandler and requested direction from Chandler as to whether it desired further reclamation of the Lease Reclamation area.
- E. Chandler reported that it was satisfied with the status of reclamation and does not desire further reclamation in the Lease Reclamation area.
- F. Therefore, in order to facilitate a determination that final reclamation of the Lease Reclamation area is complete, Chandler wishes to accept the Lease Reclamation area "as is" and to waive, consistent with COGCC Rule 1001(c), any further obligation of Strata-X under COGCC Rule 1004 to complete final reclamation as to the Lease Reclamation area.

In consideration of the mutual promises contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Strata-X and Chandler agree as follows:

- 1. Chandler acknowledges that Strata-X has fully and completely reclaimed the Lease Reclamation area to the specifications requested by Chandler.
- 2. Chandler accepts the Lease Reclamation area "as is" and, with respect to operations conducted pursuant to the Lease: (a) forever discharges and releases Strata-X of its obligation to meet final reclamation requirements set forth in COGCC Rule 1004, and (b) forever waives its right to bring a claim against Strata-X for failure to complete final reclamation of the Lease Reclamation area pursuant to COGCC Rule 1004.
- 3. Chandler accepts the Lease Reclamation area "as is" and, with respect to operations conducted by Strata-X pursuant to the Lease: (a) forever discharges and releases the State of Colorado and the Colorado Oil and Gas Conservation Commission of its obligation to enforce COGCC Rule 1004 as to the Lease Reclamation area, and (b) forever waives its right to bring a claim against the State of Colorado and the Colorado Oil and Gas Conservation Commission for failure to enforce COGCC Rule 1004.
- 4. Nothing shall be construed in this Agreement to release Strata-X of any other obligations it has with Chandler, the State of Colorado or COGCC, nor to transfer any obligation to Chandler.

IN WITNESS WHEREOF, this Agreement has been duly executed and made effective as of the dates written above.

Chandler Creek Companies

By: *Gus J. Stanovich* By: *Daniel L. Stanovich*
Title: As Partner and for Himself Title: As Partner and for Himself
Name: Gus J. Stanovich Name: Daniel L. Stanovich

Strata-X, Inc.

By: *David Hettich* By: _____
Title: CFO Title: _____
Name: David Hettich Name: _____

01/11/13