

MEMORANDUM OF SURFACE USE AGREEMENT

KNOW ALL MEN BY THESE PRESENTS, that:

1. **Agreement.** Joan L. Savage, 5953 County Road 320, Rifle, Colorado 81650 ("Surface Owner") and Savage Resources, LLC, a Colorado limited liability company, 910 16th Street, Suite 201, Denver, Colorado 80202, ("SRL"), have entered into a Surface Use Agreement dated June 15, 2007 for portions of land.

2. **Agreement Land.** The real property subject to said Surface Use Agreement is legally described in **Exhibit A**, a copy of which is attached hereto and incorporated herein by this reference.

3. **Use.** Surface Owner granted SRL limited rights to use of the said surface for its oil and gas exploration and production operations.

4. **Term.** The Use shall remain in effect so long as the Agreement Land is required for SRL's oil and gas operations.

5. **Notice.** Any right, title or interest in and to the Agreement Land acquired by any party subsequent to the date of recordation hereof shall be subject to the Surface Use Agreement in favor of SRL and to all other rights and interests of SRL under and by virtue of the Surface Use Agreement.

6. **Assignment.** SRL's interest in the Surface Use Agreement is assignable to SRL's Joint Venture partners including Noble Energy, Inc. under the Joint Exploration and Development Agreement between SRL and Noble Energy, Inc.

The purpose of this Memorandum is to provide record notice of the interest of SRL in and to the Agreement Land.

Dated and effective the 15 day of June, 2007.

SRL:
SAVAGE RESOURCES, LLC

By: Marshall T. Savage, President

Date: 6/25/07

STATE OF COLORADO)
COUNTY OF GARFIELD) ss. *Denver*

Witness my hand and seal.
My commission expires: 9/19/09

CHARLENE L. MADRID
NOTARY PUBLIC
STATE OF COLORADO
My Commission Expires Sept. 19, 2009

The foregoing instrument was acknowledged before me on this 25th day of June, 2007, by Marshall T. Savage as President for Savage Resources, LLC, on behalf of said corporation.

WITNESS my hand and official seal.
My Commission expires: 9/19/09

CHARLENE L. MADRID
NOTARY PUBLIC
STATE OF COLORADO
My Commission Expires Sept. 19, 2009

EXHIBIT "A"
TO
MEMORANDUM OF SURFACE USE AGREEMENT
BETWEEN JOAN L. SAVAGE AND SAVAGE RESOURCES, LLC.

AGREEMENT LANDS are identified as Surface Owner's surface estate in the following described property in Garfield County, Colorado:

T. 7 S., R. 94 W., 6th P.M.:

- Section 5: SW1/4, S1/2SE1/4
- Section 7: SE1/4NE1/4, and the South 28.13 acres, more or less, of the SE1/4
- Section 8: All
- Section 9: W1/2
- Section 17: Lot 4, SW1/4NW1/4, W1/2SW1/4, W1/2SE1/4, SW1/4NE1/4, Lots 1 and 2
- Section 18: Lots 1 and 2, S1/2NE1/4
- Section 19: Lots 1, 2, 3, and 4, NE1/4NW1/4, SE1/4NW1/4, W1/2SW1/4NE1/4, NE1/4SW1/4, W1/2NW1/4SE1/4, SE1/4SW1/4, W1/2SW1/4SE1/4, and E1/2SE1/4NE1/4, E1/2NE1/4SE1/4
- Section 20: NW1/4SW1/4, SW1/4NW1/4, W1/2NE1/4SW1/4, and W1/2SE1/4NW1/4
- Section 29: (Unsurveyed) Ideals No. 6, 7, 8 & 9, being approximately All
- Section 30: (Unsurveyed) Victory No. 14, being approximately the N1/2NW1/4, NW1/4NE1/4, and Victory No. 4, being approximately NW1/4SW1/4, and Victory No. 3 being approximately S1/2SW1/4, and Ideal No. 1, being approximately SE1/4
- Section 31: (Unsurveyed) E1/2 Victory No. 2, being approximately NE1/4NW1/4
- Section 32: (Unsurveyed) Ideal No. 10, being approximately N1/2N1/2

And

And in T. 7 S., R. 95 W., 6th P.M.:

- Section 24: Lots 1, 2, 3, 6, 7, 8, 9, 10, 11, and 17.