

NOTICE OF ADDENDUM TO SURFACE USE AND DAMAGE AGREEMENT

Notice is hereby given that Hotchkiss Ranches, Inc., Owner, has entered into a written ADDENDUM TO SURFACE USE AND DAMAGE AGREEMENT (hereinafter called "AGREEMENT") dated 2/22/12, that is now valid and subsisting with SG Interests VII, Ltd.. Said ADDENDUM TO SURFACE USE AND DAMAGE AGREEMENT is applicable to the following described lands in Gunnison County, Colorado.

Township 12 South, Range 89 West, 6th P.M.

Section 6: All

Section 7: All

Township 12 South, Range 90 West, 6th P.M.

Section 1: SW/4

Section 2: E/2SE/4, SW/4SE/4

Section 11: SE/4, SE/4NE/4, W/2NW/4

Section 12: All,

Gunnison County, Colorado,

also described in a Notice of Surface Use and Damage Agreement recorded in the Clerk and Recorder's Office, Gunnison County, Colorado, at Reception No. 546004.

This Addendum shall supercede and replace that Surface Use and Damage Agreement executed between these same parties on July 14, 2004 and acknowledged by Notice of Surface Use and Damage Agreement

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Gunnison County, CO

recorded at Reception No. 546004 in the Clerk and Recorder's Office in Gunnison County, Colorado.

Any party needing further information concerning this Addendum shall contact one of the parties to this Addendum. Addresses are as follows:

SG Interests VII, Ltd.
100 Waugh Drive, Suite 400
Houston, TX 77007

Hotchkiss Ranches Inc., a Colorado Corporation
P.O. Box 479
Hotchkiss, CO 81419

This Notice is given this 22nd day of Feb., 2012.

Hotchkiss Ranches, Inc., a Colorado Corporation

By: Brian K. Farmer
Brian K. Farmer, President

SG Interests VII, Ltd., a Texas limited partnership

By: Gordy Oil Company, General Partner

By: Robert H. Guinn, II
Robert H. Guinn, II, Vice-President-Land

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Gunnison County, CO

ACKNOWLEDGMENT

STATE OF COLORADO)

)ss.

COUNTY OF DELTA)

The foregoing instrument was acknowledged before me this 28th day of Feb., 2012, by Brian K. Farmer, President of Hotchkiss Ranches, Inc., a Colorado Corporation,

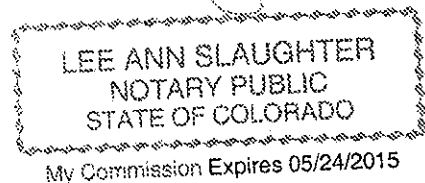
Witness my hand and official seal.

My Commission Expires:

5-24-2015

Lee Ann Slaughter

Notary Public



STATE OF TEXAS)

)ss.

COUNTY OF HARRIS)

The foregoing instrument was acknowledged before me this 28th day of February, 2012, by Robert H. Guinn, II, Vice President Gordy Oil Company, General Partner of SQ Interests VII, Ltd.

Witness my hand and official seal.

My Commission Expires:

4-18-14

Joni Byrd

Notary Public

