

MEMORANDUM OF OIL AND GAS LEASE

KNOW ALL MEN BY THESE PRESENTS, that **JOAN L. SAVAGE**, 5953 County Road 320, Rifle, Colorado, 81650 ("Lessor") and **SAVAGE RESOURCES, LLC**, a Colorado limited liability company, 910 16th Street, Suite 201, Denver Colorado 80202 ("Lessee") have entered into and executed a certain Oil and Gas Lease dated June 13, 2007, ("the Lease"), under the terms of which Lessor has leased and let to Lessee the exclusive right to explore, drill for, develop, produce, operate and remove oil and gas in and under the following described lands located in Garfield County, Colorado, to-wit:

Township 7 South, Range 94 West, 6th P.M.
Section 19: Lots 1, 2, and 3, NE1/4NW1/4, SE1/4NW1/4,
W1/2SW1/4NE1/4, NE1/4SW1/4, W1/2NW1/4SE1/4.
And containing 248.58 acres more or less, situated in the County
of Garfield, and State of Colorado

The primary term of the Lease is five (5) years. The Lease may be extended beyond the primary term with respect to all or some part(s) of the Property under certain terms and conditions more specifically set forth in the Lease.

The purpose of this Memorandum is to provide record notice of the interest of Lessee in and under the Lease. Any right, title or interest in and to the Property acquired by any party subsequent to the date of recordation hereof, shall be subject to the terms, provisions and conditions of the Lease and the rights and interests of the Lessee thereunder.

Executed copies of the Lease are in the possession of the Lessee at the address provided above.

Lessor: **Joan L. Savage**

Lessee: **SAVAGE Resources, LLC.**



Joan L. Savage



By: Marshall T. Savage, President

Date: 6/20/07

Date: 6/29/07

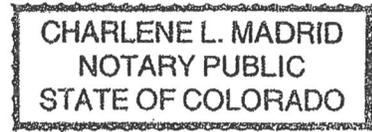
ACKNOWLEDGEMENT

STATE OF COLORADO)
 DENVER)ss.
COUNTY OF ~~GARFIELD~~)

The foregoing instrument was acknowledged before me on this 20th day of June, 2007, by Joan L. Savage.

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

Charlene Madrid
Notary Public



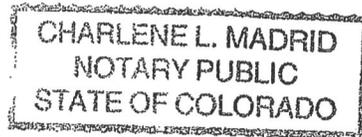
My Commission Expires Sept. 19, 2009

 COLORADO
STATE OF ~~IDAHOE~~)
)ss.
COUNTY OF DENVER)

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 Madrid
Notary Public



My Commission Expires Sept. 19, 2009