

OIL AND GAS LEASE

This Oil and Gas Lease (the "Lease") is dated July 15, 2010 (the "Effective Date"). The parties to this Lease are Binder Family Farms, LLC, as Lessor (whether one or more), whose address is 9783 Weld County Road 46 1/2, Milliken, Colorado 80543, and HRM Resources, LLC, a Delaware Limited Liability Company, as Lessee, whose address is 410 17th Street, Suite 1200, Denver, Colorado 80202.

1. In consideration of Ten Dollars and other valuable consideration paid, the royalties provided below, and the covenants of Lessee contained in this Lease, Lessor grants, leases and lets exclusively to Lessee the lands described below (the "Lands") for the purpose of investigating, exploring for, drilling for, producing, saving, owning, handling, storing, treating and transporting oil and gas together with all rights, privileges and emements useful for Lessee's operations on the Lands and on other lands in the same field with a common oil and gas reservoir. The rights granted by this Lease include, but are not limited to, rights to lay pipelines, build roads, construct tanks, pump, power lines, and other structures and facilities necessary for the production of oil and gas from the Lands or from lands pooled therewith. "Oil or Gas" includes all hydrocarbons and other similar substances including, but not by way of limitation, gas produced from coal seams or gas associated with coal. The Lands are located in Weld County, Colorado, and described as follows:

Township 4 North, Range 67 West 6th P.M.

Section 20: SW/4, Excepting a strip of land 80 feet in width in the Southeast corner thereof as described in deed recorded in Book 73, Page 238, Weld County Records.

Consisting of 159.15 acres, more or less.

NOTWITHSTANDING ANYTHING CONTAINED IN THIS LEASE TO THE CONTRARY, LESSEE'S RIGHT TO USE THE SURFACE OF THE LANDS SHALL BE LIMITED TO AND GOVERNED BY THE ADDENDUM ATTACHED TO AND MADE A PART HEREOF

The Lands shall include Lessor's rights in the Lands underlying lakes and streams and all roads, easements, and rights-of-way which cross or adjoin the Lands and including all lands owned or claimed by Lessor as a part of any of the Lands, including all reversionary rights. The Lands are deemed to contain 159.15 acres, more or less. This Lease covers all interest in the Lands now owned by, or which may later be acquired by Lessor. Lessor releases and waives all rights under any Homestead Exemption Laws. In calculating any payments based on acreage, Lessee may consider the Lands contain the number of acres stated above, whether they actually contain more or less. Lessee may inject water, salt water, gas or other substances into any formation or strata under the Lands not productive of fresh water.

2. This Lease shall remain in force for a period of two (2) years from the Effective Date, (the "Primary Term"), and as long thereafter as oil or gas are produced from the Lands, or Lessee is engaged in drilling or reworking operations on the Lands.

3. Lessee shall pay Lessor as royalty [REDACTED] of the oil produced and saved from the Lands, to be delivered at the wells or to the credit of Lessor into pipelines to which the well may be connected. Lessee may, at any time or times, purchase any royalty oil, and pay Lessor at market price [REDACTED] of the proceeds received for the sale of oil.

On gas, Lessee shall pay Lessor as royalty the value, at the point of sale as defined below, of [REDACTED] of the gas (including casinghead gas or other gaseous substances) produced from the Lands and sold. On gas sold the royalty shall be [REDACTED] of the amount realized from the sale. By mutual consent of Lessor and Lessee, the point of sale for gas produced from the lands shall be deemed to be the point where produced gas passes through the first sales meter after leaving the wellhead and the value of Lessor's royalty shall be computed at that point. Lessor shall bear no cost of any kind, other than its share of taxes, unless and until such time as the gas leaves the Lands. After the gas leaves the Lands, Lessor's royalty share of gas shall bear its proportionate share of any further costs associated with transportation or placing the gas in a marketable condition. On other substances, Lessee shall pay Lessor [REDACTED] of the amount realized from the sale of any other substances produced from the Lands. Where there is a Gas well, or wells on the Lands or lands pooled with the Lands, capable of production, whether before or after the Primary Term, and the well or wells are shut-in, and there is no other production, drilling operations, or other operations being conducted capable of keeping this Lease in force under any of its provisions, Lessee, its assignees or designees shall pay as royalty to Lessor the sum of [REDACTED] per year per acre on Lands subject to this Lease. This payment is to be made to the Lessor at the address shown above, on or before the next anniversary date of this Lease after the expiration of 180 days from the date the well or wells are shut-in, and after that time on the anniversary date of this Lease during the period the well or wells are shut-in. When the payment or payments are made, it shall be considered this Lease is being maintained in full force and effect. A "Gas Well", as used in this paragraph, is a well capable of producing Gas and condensate, gas and distillate, or any other gaseous substances regardless of whether or not such well or wells are also capable of producing oil.

4. THIS IS A PAID UP LEASE. HOWEVER, Lessee may at any time or times surrender all or part of this Lease or any formation or depths underlying the Lands, by tendering to Lessor, or by filing in the county records, a release or releases. Lessee will then be relieved of all obligations as to the released Lands or depths and the shut-in royalty shall be reduced in the same proportion the Lands then covered by the Lease are reduced.

5. Lessee may at any time or times pool all or any part of the Lands, or any formation or depths under the Lands, with other lands and leases, and the underlying formations or depths in the same vicinity of the Lands, to constitute a spacing unit to facilitate an orderly or uniform well spacing pattern, to comply with any order, rule or regulation of state or federal regulatory or conservation agencies, or to obtain the maximum allowable from any well drilled or to be drilled. Pooling may be accomplished or terminated by filing of record in the county where the Lands are located a declaration of pooling, or declaration of termination of pooling, and by mailing or tendering a copy of the recorded declaration or termination to Lessor. Drilling or reworking operations on or production from any part of a unit will be considered for all purposes of this Lease as operations or production from this Lease. Lessee will allocate to this Lease the proportionate share of production which the acreage in this Lease included in any unit bears to the total acreage in a unit, for purposes of paying royalties.

6. If at any time or times before or after the expiration of the Primary Term all operations on or production from the Lands including any lands pooled therewith shall cease, for any cause, this Lease shall not terminate if Lessee commences or resumes any drilling or reworking operations, or production, within 90 days after the cessation. Lessee may, in the interest of economy, commingle production from this Lease with production from one or more leases in the same field, provided a method of measurement in compliance with established engineering practices is used to measure the production and allocate the production to the respective commingled leases.

7. Lessee will pay for damages caused by Lessee's operations to growing crops, buildings, irrigation ditches and fences. When requested by the surface owner, Lessee will bury pipelines below ordinary plow depth across cultivated Lands. No well shall be drilled within two hundred (200) feet of any residence or barn located on the Lands, as of the Effective Date, without the consent of the surface owner. Lessee shall have the right at any time to remove from the Lands all of Lessee's property, equipment, and fixtures, including the right to draw and remove all casing. In the event a well or wells are drilled on lands immediately adjoining the Lands which adjoining lands are not pooled with the Lands, Lessor may demand that Lessee drill a well or wells on the Lands to the same formation or formations from which production has been established on the adjoining lands. Lessee will then drill a well which a reasonably prudent operator would drill under the same or similar circumstances to prevent substantial drainage from the Lands by wells on adjoining land, not owned by Lessee, when the drainage is not compensated for by counter-drainage. This obligation to drill offset wells is subject to the continuing right of Lessee to release all or part of the Lands as provided in paragraph 4. If an offset well obligation arises during the term of this Lease and in lieu of drilling the offset well, Lessee shall release from this Lease that part of the Lands on which the offset well would be located, or those depths under the part of the Lands to which the offset well would be drilled, Lessee shall be released of all obligation to drill the offset well. A default by Lessee, or its assigns, to drill any well or make payments as to part of the Lands shall not impair Lessee's rights as to any other well or any other part of the Lands.

8. The rights of Lessor and Lessee may be assigned in whole or in part. No change in ownership of Lessor's interest shall be binding on Lessee until after Lessee is given written notice of the change accompanied by originals or certified copies of instruments or documents necessary to establish a complete chain of title from Lessor. No other type of notice, whether actual or constructive, will be binding on Lessee. Lessee may continue to make shut-in or royalty payments as if no change has occurred until notice is provided. No division of

Lessor's ownership, at any time, as to all or part of the Lands shall enlarge the obligations or diminish the rights of Lessee. If all or any part of Lessee's interest is assigned, no leasehold owner shall be liable for any act or omission of any other leasehold owner. The failure by one to pay royalties shall not affect the rights of the others.

9. When, as a result of any cause reasonably beyond Lessee's control, such as fire, flood, windstorm or other Act of God, decision, law, order, rule, or regulation of any local, state or federal agency or court, or, inability to secure workers, material or transportation, Lessee is prevented from complying with any express or implied obligation of this Lease, Lessee shall not be liable in damages and this Lease shall not terminate. Lessee's obligations will be suspended so long as the cause persists. Lessee shall have one hundred twenty (120) days after the cessation of the cause in which to resume performance of its obligations as provided in this Lease.

10. The royalties and payments provided in this Lease are for the entire mineral estate in oil and gas (including all previously conveyed perpetual nonparticipating royalty). If Lessor owns less than all of the mineral estate and royalty in the Lands, the royalty or other payments to be paid Lessor shall be reduced proportionately. Lessee may purchase or discharge all or part of any tax, mortgage or lien on the Lands, or redeem the Lands from any purchaser at any tax sale or adjudication, and Lessee shall be subrogated to that lien with the right to enforce it. Lessee may reimburse itself from any royalties accruing under the terms of this Lease to recover any amounts paid to purchase or discharge any tax or lien.

11. This Lease is binding on all who execute it, whether they are named above and whether or not all parties named execute the Lease. All provisions of this Lease shall inure to the benefit of and be binding upon the heirs, executors, administrators, successors, and assigns of the Lessor and Lessee.

This Lease is executed by Lessor as of the date of acknowledgment of Lessor's signature below, but shall be effective, for all purposes, as of the Effective Date stated above as of the Effective Date.

Lessor: Binder Family Farms, LLC

F. Dean Binder
F. Dean Binder - Manager

Carol J. Binder Sauer
Carol J. Binder Sauer - Member

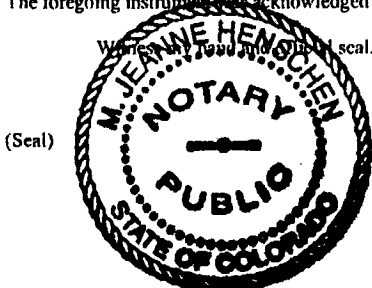
Thomas D. Binder
Thomas D. Binder - Member

3713734 08/24/2010 03:10P Weld County, CO
2 of 5 R 31.00 D 0.00 Steve Moreno Clerk & Recorder

Acknowledgements:

STATE OF COLORADO)
COUNTY OF WELD)

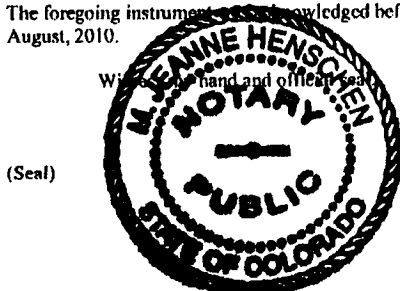
The foregoing instrument was acknowledged before me by Binder Family Farms, LLC, F. Dean Binder as Manager, this 24th day of August, 2010.



M. Jeanne Henschen
Notary Public, State of Colorado
Printed Name: M. JEANNE HENSCHEN
Commission Expires: _____

My Commission Expires 08/02/2014
STATE OF COLORADO)
COUNTY OF WELD)

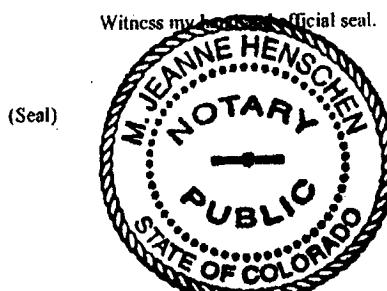
The foregoing instrument was acknowledged before me by Binder Family Farms, LLC, F. Carol J. Binder Sauer as Member, this 24th day of August, 2010.



M. Jeanne Henschen
Notary Public, State of Colorado
Printed Name: M. JEANNE HENSCHEN
Commission Expires: _____

My Commission Expires 08/02/2014
STATE OF COLORADO)
COUNTY OF WELD)

The foregoing instrument was acknowledged before me by Binder Family Farms, LLC, Thomas D. Binder as Member, this 24th day of August, 2010.



M. Jeanne Henschen
Notary Public, State of Colorado
Printed Name: M. JEANNE HENSCHEN
Commission Expires: _____

My Commission Expires 08/02/2014

ADDENDUM

Addendum to that certain oil and gas lease dated effective July 15, 2010 by and between Binder Family Farms, LLC and HRM Resources, LLC.

Notwithstanding anything contained in the body of the lease to which this Addendum is attached (the "Lease"), in the event of a conflict between the terms and provisions of the Lease and this Addendum, the terms and provisions of this Addendum will control.

1. The parties agree that all wells drilled and production facilities shall be located in the oil and gas operations area located in the currently uncultivated area which is located in the northeastern corner of the lands and is identified as the Oil and Gas Operations Area (OGOA) on the plat attached to this lease as Exhibit "A". Other than the right of access granted and described in paragraph #2 below, Lessee shall have no right to access or operate on any other portion of the leased lands than the OGOA. The maximum number of wells that can be drilled in the operating area shall be limited to the number permitted under COGCC Rule 318A.e.
2. Access to the OGOA shall be by means of a road to be built along the north line of the leased lands due east to the OGOA. The road will not exceed 20 feet in width. The north side of the Access Road shall be the south side of the currently existing tail water collection ditch, which runs along the north boundary of the leased lands. At such time as Lessee constructs the Access Road, Lessee shall install culverts at appropriate locations as shall be agreed upon in consultation with lessor, to carry waste water from Lessor's field to the tail water ditch on the north side of the Access Road. Notwithstanding the foregoing, if Lessee is able to make an arrangement with the owner of the property to the north that is acceptable to both Lessee and the owner to the north, then Lessee may elect not to construct the Access Road as described in this paragraph, unless or until such time as it becomes necessary to do so. If Lessee actually builds the Access Road as described above, Lessee agrees to pay Lessor the sum of [REDACTED] each year the Access Road is in existence (or until the wells are plugged and abandoned which ever is sooner) on the anniversary date of the lease. Lessee shall maintain any such Access Road at its sole cost. Lessor shall have the right to use the Access Road.
3. All production facilities shall be located on the OGOA. Lessee shall have the right to install such gas sales pipelines as necessary to effectively and efficiently remove natural gas production from the leased lands. Such pipelines shall be buried beneath the Access Road.
4. Lessee may use gravel on the Access Road and OGOA provided however, all gravel must be kept out of Lessor's fields. At such time as the last well(s) are plugged and abandoned, Lessee agrees to collect and remove all gravel from the leased lands. If in the course of removing such gravel Lessee removes so much of the soil as to create a depression or low area, Lessee agrees to bring in enough soil and top soil to replace that volume which it was necessary to remove.
5. Lessee agrees that no drilling operations will take place between March 1 and November 1 each year. Likewise, Lessee shall restrict all other operations on the leased lands to such operations as Lessee believes to be necessary to the safe and effective operation and production of the wells drilled on the leased lands. In the event in Lessee's opinion it becomes necessary to conduct any operations (other than normal pumping operations) on the OGOA during the restricted period (i.e. from March 2 to October 31), Lessee shall notify Lessor at least 24 hours in advance of actually entering onto the lands. Any and all damages resulting from such operations shall be paid for pursuant to the damage provision set forth below. In the event of an emergency, no advanced notice shall be required prior to entry.
6. Any damages caused by Lessee's operations on the leased lands, whether to Lessors facilities, structures and/or equipment shall be reimbursed to Lessor at the replacement costs. Damage to lands outside of the Access road and/or the OGOA, shall be paid for by computing the square footage of the damaged area and multiplying the square footage of the damaged area times [REDACTED] per square foot. In the event of damages as described above, Lessor shall notify Lessee of such damage. Lessor and a representative of Lessee shall meet to verify the damages and calculate the damaged area, or inspect the damaged facilities, structures and/or equipment. Following such meeting, Lessor shall submit a bill for repair of the damages. If Lessee believes it can repair or replace the damaged lands, facilities, structures and/or equipment for less than the amount of the invoice submitted by Lessor, it may do so provided that the replaced facilities, structures or equipment is or are of equal quality and/or quantity, as the case may be. Any and all damages paid (or repairs or replacements made) shall be paid to Binder Family Farms, LLC. or completed within 15 days of receipt of the invoice by Lessor. The initial construction of the Access Road, and the location on the OGOA

shall be exempt from this provision except to the extent the construction of the Access Road extends more than 35 feet south of the north line of the leased lands.

7. Lessee agrees that in the event Lessee deems its necessary or advantageous to shut in all of the wells drilled pursuant to this Oil and Gas Lease, Lessee shall pay shut-in royalties pursuant to the terms of the main body of this Oil and Gas Lease. Notwithstanding anything contained in main body of the Oil and Gas Lease or this Addendum, this Oil and Gas Lease shall not be maintained for more than two consecutive years, past the end of the Primary Term by the payment of such shut in royalties, except in the case of force majeure including governmental action (or inaction) which is beyond the reasonable control of Lessee. Should the wells remain shut in for more than the two years described above, this Lease shall terminate. Either following the end of the Primary Term of this lease, or once commercial production has been established, should more than 6 consecutive months pass without Lessor receiving any payment pursuant to this lease, whether from the proceeds of production, shut-in royalty or a negotiated payment, this lease shall terminate. A well shall be deemed to be shut in if it does not produce at least 120 days per year. "Year" as used in this paragraph shall mean twelve months commencing on the lease anniversary date.
8. Lessee agrees not to store equipment on the OGOA, other than that necessary for the safe and effective operation of the oil and gas wells drilled pursuant hereto, for a period in excess of 30 days past is actual usage on the OGOA.
9. In the event Lessee has an oil spill on the leased lands, Lessee agrees to notify Lessor within 24 hours of such event. In the event of a spill, Lessee shall promptly clean up and/or remediate the spill to a standard sufficient for residential construction.

Initials:

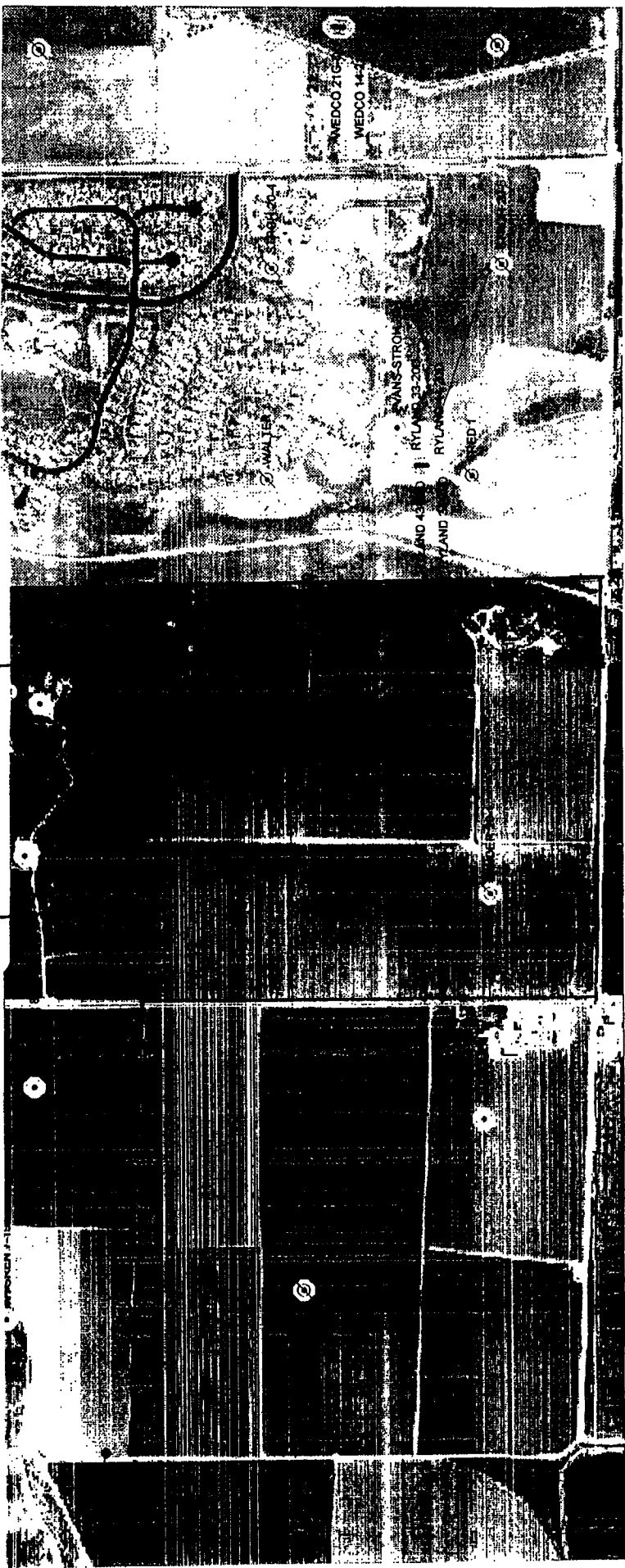
DB

T.B.

Ciba

Binder Lease Area

Oil and Gas Operations Area (OGOA)
Lease Boundary



SCALE 1 : 10,115



3713734 08/24/2010 03:10P Weld County, CO
5 of 5 R 31.00 D 0.00 Steve Moreno Clerk & Recorder