

MEMORANDUM OF SURFACE USE AGREEMENT

(Pargin No.2-36 from the Pargin No.1-36 Well Location)

This MEMORANDUM OF SURFACE USE AGREEMENT ("Memorandum") is provided by XTO Energy Inc., a Delaware Corporation, the address of which is 810 Houston Street, Fort Worth, TX 76102-6298 ("XTO or "Operator), and "Pargin Ranch, a Limited Partnership", a/k/a Pargin Ranch, Ltd., a Limited Partnership whose address is 7940 State Highway 151, Ignacio, CO 81137 ("Surface Owner").

Notice is hereby given that XTO and Surface Owner have entered in a Surface Use Agreement dated the 2nd of March, 2011, concerning a proposed gas well known as the Pargin No. 2-36 (the "Additional Well") to be located on the well pad of an existing gas well known as the Pargin No.1-36 (the "Existing Well") or reasonable expansion or modification thereof. Both wells are or will be located on the below described property and will be or have been drilled pursuant to underlying oil and gas lease(s) and applicable permits. Under the Surface Use Agreement, Surface Owner and Operator have agreed to certain specific matters in connection with XTO's right to use the surface estate of the following property:

SE1/4 of Section 36, Township 33 North, Range 07 West, N.M.P.M.,
being more particularly described under that certain Warranty Deed, with
other lands, dated October 24, 1981, recorded October 26, 1981,
Reception No. 462455, La Plata County, Colorado

This memorandum constitutes notice to all interested parties of the existence of the Surface Use Agreement. Furthermore, any successor or assign of either XTO or Surface Owner shall be bound by the terms and conditions of the Surface Use Agreement. In the event that any party acquires any rights or interests in the surface estate of the Property, such rights or interests shall be subject to the terms and conditions set forth in the Surface Use Agreement. For more information, contact either XTO or Surface Owner.

Under Colorado Oil and Gas Conservation Commission (the "COGCC") Notice and Consultation Rules 305.e, 305.e(1)(A), 305.e(7), 306.a. and 306.a(3), Surface Owner acknowledges and agrees that Operator has complied with all notice and consultation requirements of COGCC Rules 305 and 306. The 305.e(7) Waiver being only applicable to planned drilling and completion activities under the aforementioned Surface Use Agreement. XTO in compliance with COGCC Rules shall provide Surface Owner Notice as required for all subsequent activities. Surface Owner also waives the right to receive notices under the La Plata County Code ~~including, but not limited to~~, Section 90-77 of said Code.

SP
MPS

SURFACE OWNER:

"Pargin Ranch, a Limited Partnership", a/k/a Pargin Ranch, Ltd., a Limited Partnership

By: *Steve Pargin*

Date: *3/2/11*

Name: Stephen Pargin

Title: Limited and General Partner

OPERATOR:

XTO Energy Inc., a Delaware corporation

By: Edwin S. Ryan, Jr.

Name: Edwin S. Ryan, Jr. ^{6/23}

Title: Senior Vice President – Land Administration

ACKNOWLEDGEMENTS

STATE OF COLORADO)
)ss.
COUNTY OF LA PLATA)

This instrument was acknowledged before me this 3RD day of MARCH, 2011 by Stephen Pargin, Limited and General Partner of “Pargin Ranch, a Limited Partnership”, a/k/a Pargin Ranch, Ltd., a Limited Partnership, on behalf of said partnership.

WITNESS my hand and official seal.

Mike Simone
Notary Public

(SEAL)



My Commission Expires 5-11-14

MAY 11, 2014
My Commission Expires

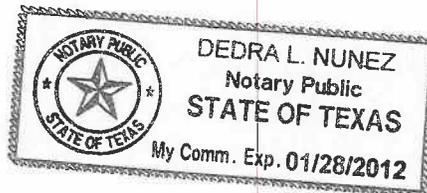
STATE OF TEXAS)
)ss.
COUNTY OF TARRANT)

This instrument was acknowledged before me on the 21st day of MARCH, 2011 by Edwin S. Ryan, Jr., Senior Vice President – Land Administration of XTO Energy Inc., a Delaware corporation, on behalf of said corporation.

WITNESS my hand and official seal.

Dedra L. Nunez
Notary Public

(SEAL)



Jan. 28, 2012
My Commission Expires