

LETTER AGREEMENT

May 1, 2006

Robert L. Graeber
593 Weld County Road 7
Erie, CO 80516

Re: Graeber 31-33D and 33-33DX Wells
Township 1 North, Range 68 West, 6th P.M.
Section 33: (surface location)
(bottomhole locations)
Weld County, Colorado

Dear Mr. Graeber:

THIS LETTER AGREEMENT is made and entered into this 1st day of May, 2006, by and between United States Exploration, Inc., 1625 Broadway, Suite 2000, Denver, CO 80202 ("USX") and Robert L. Graeber, 593 Weld County Road 7, Erie, CO 80516 ("Owner").

WHEREAS, USX and Owner desire, through the terms and provisions of this Letter Agreement, to set forth their understanding with respect to USX's drilling, completion and reclamation operations associated with the above described wells for the purpose of setting forth certain compensation for crop and losses and other expenses that Owner will incur during the 2006 calendar year as a result of USX's operations.

NOW THEREFORE, in consideration of the mutual promises contained herein, the benefits to be derived by each party hereunder, and other good and valuable consideration, the receipt of which is hereby acknowledged, the parties herein agree as follows:

1. USX agrees to pay the following amount to Owner for crop and other losses Owner will incur as a result of USX's drilling, completion and reclamation operations for the above described wells:

- a. [REDACTED] acres of lost alfalfa based upon a yield of 82 bales per acre and a price of [REDACTED] per bale together with certain miscellaneous expense associated with irrigating around USX's drillsite for the 2006 season. Owner represents, and USX is specifically relying upon that representation, that historic yields of alfalfa grown on the referenced lands have averaged 82 bales per acre.

It is understood that 4.25 acres represents that portion of the field that will be taken out of production for the 2006 calendar year as a result of USX's operations.

2. Owner and USX agree that the payment provided for herein is the full, complete and final settlement for the crop and other losses that Owner will incur in 2006.

Please execute this Letter Agreement where provided below if the provisions cited herein represent your understanding of our negotiated settlement of the referenced issues.

United States Exploration, Inc.

Graham C. Biles
Consulting Landman

AGREED TO AND ACCEPTED THIS 7th DAY OF MAY, 2006

Robert L. Graeber
Robert L. Graeber

[REDACTED]
Tax ID #