

SURFACE USE AGREEMENT

This Agreement is made and entered into this 26 day of June, 2008, by and between Marlene R. McConnell Trust c/o Marlene R. McConnell – Trustee ("Owner"), whose mailing address is 13521 County Road 53, Yuma, CO 80759 and Rosewood Resources, Inc. (hereinafter referred to as Rosewood") whose address is 2711 N. Haskell Avenue, Suite 2800, Dallas, Texas, 75205, collectively, the "Parties".

WITNESSETH:

For and in consideration of the covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Rosewood intends to drill or cause to be drilled an oil and/or gas well ("Well") on the following described lands ("Lands"):

Legal Description:

NE/4 SW/4 Section 05, T4N, R46W
Approximately 2,022' FWL and 1,950' FSL (see attached plat)
Well: McConnell #23-05
Yuma County, Colorado

2. In order for Rosewood to drill, construct, complete, produce, maintain and operate the Well and all pipelines, power lines, and other facilities or property of Rosewood associated with the Well, it is necessary that Rosewood enter and utilize the Lands. The Parties hereby agree as to compensation for damages, entry and surface use therefor.

3. Rosewood shall pay Owner the sum of _____.
Owner hereby acknowledges that the Amount represents full, final and agreed consideration for any and all surface damages resulting from Rosewood's operations on the Lands. The Amount is also hereby acknowledged by Owner as full, final and agreed consideration for any and all damages caused or created by reason of the reasonable and customary ingress, egress, rights-of-way, drilling, completion, production and maintenance operations, well locations, and any and all related pipelines, or any other facilities constructed by Rosewood on the Lands. (Payment set out above shall be made as follows, but not more than 30 days prior to drilling operations :)

100% to: Marlene R. McConnell Trust
c/o Marlene R. McConnell - Trustee
13521 County Road 53
Yuma, CO 80759

4. Rosewood shall pay _____ for flow lines installed, Rosewood shall bury all pipe lines a minimum of 48" inches in depth.
5. Rosewood agrees to consult with "Owner" as to routes of ingress/egress for any wells drilled on the above described lands, in an attempt to minimize damages to the above described lands. Any other facilities constructed by Rosewood on the lands shall be approved by the Owner. Owner agrees not to unnecessarily withhold consent as to routes of ingress/egress or placement of other facilities.
6. Rosewood shall reimburse owner on a mutually agreed to price for existing planted crop damage on a per acre, per bushel basis. In any subsequent year after the completion of said well, any crop damage incurred in excess of an acre at the wellhead do to any work over activity, Rosewood will reimburse tenant on a mutually agreed to bushel per acre and price per bushel basis for damage greater than one acre at the wellhead.
7. Except as to any extraordinary or unanticipated loss or damage, Owner does hereby release and hold harmless Rosewood from any and all liability of any nature and further payment for damages on the Lands which arise or may arise from, out of, or in connection with the Well or any pipelines, or other facilities constructed by Rosewood on the Lands for so long as operations are being conducted by Rosewood, its agents, successors or assigns.
8. Owner hereby agrees that by its payment of the Amount, Rosewood has fully complied with the applicable governmental regulations and statues, if any, relating to the settlement of the damages contemplated herein.
9. Notice by either Party shall be promptly given, orally if possible, and immediately mailed to:

Owner

Marlene R. McConnell Trust
c/o Marlene R. McConnell - Trustee
13521 County Road 53
Yuma, CO 80759
(970) 848-3470

Rosewood

Rosewood Resources, Inc.
Attn: Ginny Burchard
1600 Stout Street, Suite 1510
Denver, CO 80202
(303) 991-4690

This Agreement shall be binding upon and shall inure to the benefit of the Parties, their respective successors, agents and assigns.

IN WITNESS WHEREOF, the Parties hereunto set their hands, the day and year first above written.

Marlene R. McConnell Trust

Rosewood Resources, Inc.

By: Marlene R McConnell
Marlene R. McConnell - Trustee

By: Dean Jarrett
Dean Jarrett, Landman

Please Sign & Return This Copy MC

MCCONNELL #23-05 - MARLENE MCCONNELL TRUST

THE ACCOMPANYING DRAWING IS AN ACCURATE REPRESENTATION SHOWING THE LOCATION OF A PROPOSED WELL. THIS LOCATION MAY BE DESCRIBED AS A POINT 1950 FEET NORTH OF THE SOUTH LINE AND 2022 FEET EAST OF THE WEST LINE OF SECTION 5, TOWNSHIP 4 NORTH, RANGE 46 WEST OF THE 6TH P.M., YUMA COUNTY, COLORADO.

NOTE: THIS IS NOT A LAND SURVEY PLAT
BASIS OF LATITUDE/LONGITUDE AND ELEVATION VALUES ARE
DERIVED FROM GEODETIC SURVEY MONUMENT DESIGNATED
BALDY PID LK0546 LOCATED APPROXIMATELY 4.2 MILES
EAST OF PROPOSED WELL LOCATION

BASIS OF BEARING IS THE NORTH LINE OF SECTION 5
TOWNSHIP 4N RANGE 46W OF THE 6TH P.M. WHICH IS
ASSUMED TO BEAR N 88°12'32" E

THERE ARE NO VISIBLE IMPROVEMENTS WITHIN 200'

COUNTY ROAD 54

N 88°12'32" E A-2655.89'

N 88°12'32" E A-2652.59'

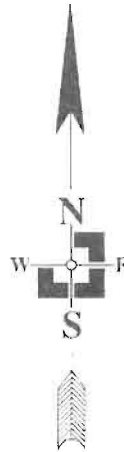
NORTHWEST CORNER
SECTION 5-4N-46W
FOUND 3/8" SMOOTH BENT ROD

NORTHEAST CORNER
SECTION 5-4N-46W
FOUND 3 1/4"
ALUMINUM CAP STAMPED
"MCCORMICK CO. RLS. 26602"

S 02°18'46" E A-2978.21'

COUNTY ROAD R

S 02°18'46" E A-2608.68'



SCALE 1" = 1000'

LEGEND

- FOUND ALIQUOT CORNER
- PROPOSED WELL LOCATION
- CALCULATED ALIQUOT CORNER
- ACTUAL DISTANCE

ALL DISTANCES SHOWN ARE
GROUND DISTANCES AND
ARE FIELD MEASURED. THE
PROPOSED WELL LOCATION
DISTANCES ARE AT RIGHT
ANGLES FROM THE NEAREST
NORTH/SOUTH AND
EAST/WEST SECTION LINES.
ALL GPS DATA IS
CORRECTED USING A
TRIMBLE R-8 MODEL-2
BASE STATION AT THE
STATED GEODETIC
MONUMENT.

NAD 83 DATUM:
LAT: 40.34148 N
LONG: 102.53975 W
ELEV: 3903.68'

GPS OPERATOR: J. RADEMACHER
PDOP: 1.6

SOUTHEAST CORNER
SECTION 5-4N-46W
FOUND 5/8" STOW BOLT

SECTION 5,
IRRIGATED FIELD

T.4 N., R.46 W.

S 88°19'52" W A-2657.50'

S 88°19'52" W A-2657.51'

SOUTHWEST CORNER
SECTION 5-4N-46W
CENTER OF ROAD INTERSECTION

COUNTY ROAD 53

0' 1000' 2000' 3000'

DATE OF FIELD WORK:

10 JUNE 2008

DATE OF DRAWING:

16 JUNE 2008

WELL NUMBER:

McConnell #23-05 T4N-R46W YUMA COUNTY, COLORADO

LOCATION:

SW 1/4 SEC 5 T4N R46W

ROSEWOOD RESOURCES, INC.



THREE CORNERS SURVEYING AND MAPPING, LLC

PO Box 463, 312 Main Street
Wray, CO 80758

970.332.4133
3cornerssurveying@centurytel.net

SURVEYOR'S CERTIFICATE

I HEREBY CERTIFY THAT, UNDER MY PERSONAL
SUPERVISION, THIS WELL LOCATION DRAWING WAS
PREPARED FROM AN ACTUAL SURVEY AND THE DATA
HEREON IS CORRECT TO THE BEST OF MY KNOWLEDGE.

RYAN E. DICKINSON
COLORADO PROFESSIONAL SURVEYOR
P.L.S. 36571

