

SURFACE USE AGREEMENT

This Agreement is made and entered into this 17th day of JUNE, 2008, by and between Mekelburg Farms LLC c/o Doris R. Mekelburg, Manager ("Owner"), whose mailing address is 45892 County Road M, 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:

SE/4 NE/4 Section 35, T3N, R47W
Approximately 1,089' FEL and 2,302' FNL (see attached plat)
Well: Rutledge #42-35
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 _____ ("Amount"). 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: **Mekelburg Farms LLC**
c/o Doris R. Mekelburg, Manager
45892 County Road M
Yuma, CO 80759

4. Rosewood shall pay _____ for flow lines installed, except for those portions of the flow line that utilize the same ingress/egress routes used for the drilling and completion of the well. Rosewood shall bury all pipe lines below normal plow 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. Owner agrees not to unnecessarily withhold his consent as to routes of ingress/egress.
6. Any rocks of a diameter of 3 inches or larger that are overturned and remain on the surface after the drilling and completion activities are completed will be removed at the expense of Rosewood Resources, Inc.
7. 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.
8. 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.
9. 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.
10. Notice by either Party shall be promptly given, orally if possible, and immediately mailed to:

Owner
Mekelburg Farms LLC
c/o Doris R. Mekelburg, Manager
45892 County Road M
Yuma, CO 80759
(970) 848-2754

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.

Mekelburg Farms LLC

Rosewood Resources, Inc.

By: Doris R. Mekelburg
Doris R. Mekelburg – Manager

By: Dean Jarrett
Dean Jarrett Landman

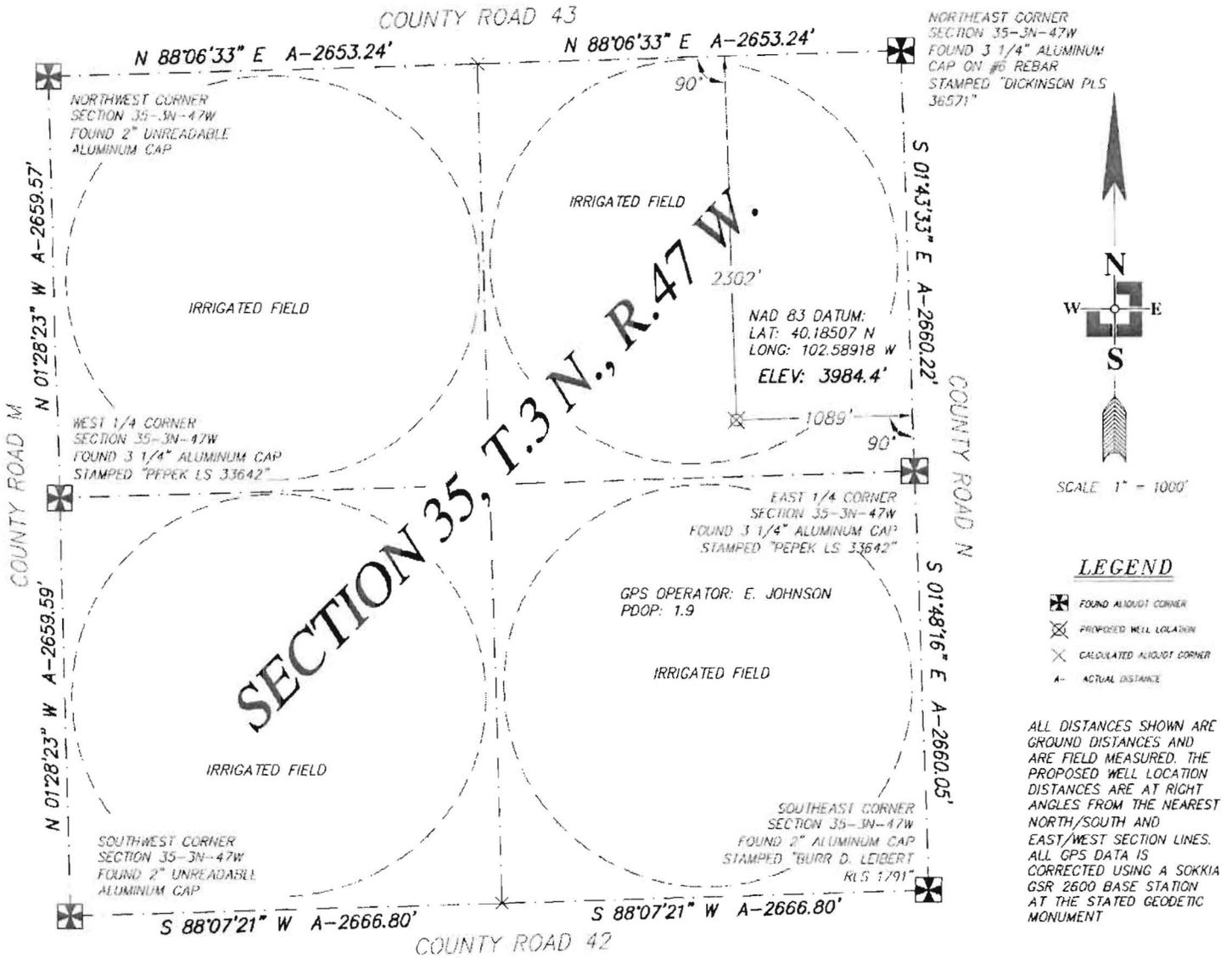
**Please Sign &
Return This Copy**

THE ACCOMPANYING DRAWING IS AN ACCURATE REPRESENTATION SHOWING THE LOCATION OF A PROPOSED WELL. THIS LOCATION MAY BE DESCRIBED AS A POINT 2302 FEET SOUTH OF THE NORTH LINE AND 1089 FEET WEST OF THE EAST LINE OF SECTION 35, TOWNSHIP 3 NORTH, RANGE 47 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 VONA PID LK0552 LOCATED APPROXIMATELY 2.0 MILES SOUTHWEST OF PROPOSED WELL LOCATION

BASIS OF BEARING IS THE NORTH LINE OF SECTION 35 TOWNSHIP 3N RANGE 47W OF THE 6TH P.M. WHICH IS ASSUMED TO BEAR N 88°06'33" E

THERE ARE NO VISIBLE IMPROVEMENTS WITHIN 200'



LEGEND

- ⊠ FOUND ALIQUOT CORNER
- ⊗ PROPOSED WELL LOCATION
- ⊗ CALCULATED ALIQUOT CORNER
- A- 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 SOKKIA GSR 2600 BASE STATION AT THE STATED GEODETIC MONUMENT



DATE OF FIELD WORK 2 JUNE 2008	DATE OF DRAWING 5 JUNE 2008
WELL NUMBER: RUTLEDGE 42-35 3N 47W YUMA COUNTY, COLORADO	
LOCATION: NE 1/4 SEC 35 T3N R47W	ROSEWOOD RESOURCES, INC.
 THREE CORNERS SURVEYING AND MAPPING, LLC PO Box 463: 312 Main Street Wray, CO 80758 970-332 4133 3cornersurveying@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

