

SURFACE USE AGREEMENT

This Agreement is made and entered into this 12 day of 12-12, 2007, by and between Keith E. Probasco & Dolores I. Probasco, husband & wife ("Owner"), whose mailing address is 220 S. Gum Street; 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:

NW/4 SE/4 Section 10-T3N-R46W
Approximately 2,166' FEL and 2,118' FSL (see attached Plat)
Well: Probasco #33-10
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 DOLLARS ("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, except as defined below. (Payment set out above shall be made as follows, but not more than thirty days prior to drilling of the well:)

100% to: Keith E. Probasco & Dolores I. Probasco, husband & wife
220 S. Gum Street
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. 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.
7. 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.
8. Notice by either Party shall be promptly given, orally if possible, and immediately mailed to:

Owner

Keith E. Probasco & Dolores I. Probasco
220 S. Gum Street
P. O. Box 374
Yuma, CO 80759
(970) 848-3417

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, assigns, tenants and buyers.

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

Owner(s)

Rosewood Resources, Inc.

By: Keith E. Probasco
Keith E. Probasco

By: Dean Jarrett
Dean Jarrett, Landman

By: Dolores I. Probasco
Dolores I. Probasco

High Plains Survey Company
Oil & Gas Division

Physical Address: 345 Comanche St.
Mail to: Box 773 Kiowa, CO 80117

Job # 10-3n-46w Probasco 33-10

Inv # 5860

Ph. 303-621-8672 - Fax 303-621-8673
www.highplainssurvey.com

High Plains Surveying of Kiowa, Colorado has in accordance with a request from **Steve Von Feldt, Rosewood Resources Inc.** has determined the location of **Probasco 33-10** to be 2118 feet FSL, and 2166 feet FEL, (90° off Section lines) of SECTION 10, Township 3n, Range 46w of the 6th Principal Meridian, Yuma County Colorado

Date: Staked on 11-06-07 drawn on 11-12-07.

Re: Staked by Keith Westfall

Drawn: Drawn by Elijah Frane

Basis of Elevation Spot: USGS BM = BLACH, PID = LK0550, H-Order = First, V-Order = Vertcon, Stability = Unknown, P-DOP = 2.14, Sats = 7 US NAD 83 CO-N, Lat. = 40.28874, Long. = W102.68113 = 4045.0 gr. (us FT)

Notes: There are no apparent improvements within 200 ft.
Sprinkler wheel track falls approx. 47' E of location.
The ground elevation at staked location = 3896.35' gr
This drawing does not represent a monumented survey or Land Survey Plat.

Basis of Bearing: Bearings were determined based on the North line of Section 10 to bear N 87°01'55" E with all other bearings contained herein relative thereto.

