

**Petron Development Company**  
1899 W. Littleton Blvd.  
Littleton, Colorado 80120  
Telephone (303) 794-5300

November 7, 2011

Midnight Sun Inc.  
c/o Michael Septer  
UBS AgriVest, LLC  
14550 Excelsior Blvd., Suite 202  
Minnetonka, MN 55345

RE: Agreement and Compensation for Surface Operations

YCO 12-10  
NW ¼ NE ¼ Sec. 10 T4N-R46W  
Yuma County, Colorado

YCO 13-10  
NE ¼ NE ¼ Sec. 10 T4N-R46W  
Yuma County, Colorado

Ladies & Gentlemen:

Yuma County Oil owns the minerals under the tracts of land referenced above in which you own the surface. At the request of Yuma County Oil, Petron Development Company (operator for the properties) intends to conduct operations for drilling of two Niobrara gas wells at these locations.

Per our discussions, we have the following understandings:

1. We will delay drilling of the above captioned locations until crops have been harvested. It is intended to start drilling operations in December 2011.
2. We will not drill at any location that will interfere with the irrigation rotation (tracks).
3. We will not install any equipment within the irrigation circles that will impede the travel of and/or ground clearances of the irrigation equipment.
4. We will close all drilling pits as soon as practically possible.
5. We shall repair any damage to personal property caused by its operations.
6. We will fence any location that may create a hazard for any livestock during the drilling and reclamation processes. In addition, and after reclamation has been completed, each newly completed well head shall be fenced in a manner to keep livestock out.
7. As compensation for your inconveniences and damages, We shall pay, [REDACTED] The total amount tendered this date as it pertains to this agreement is \$2,000.

Agreed to this 8th day of November, 2011 by:

Petron Development Company  
As Operator for Yuma County Oil Co.

  
Jim Walker

Midnight Sun Inc.  
As Surface Owner

