

SURFACE USE AGREEMENT

THIS SURFACE USE AGREEMENT (this "Agreement") is made and entered into this 15th day of September, 2011, by and between MLD EQUITIES LLC, a Colorado limited liability company, the mailing address of which, for purposes of this Agreement, is 1416 Harris Drive, Fort Collins, Colorado 80524 ("Owner"), and SUNDANCE ENERGY, INC., a Colorado corporation, the mailing address of which, for purposes of this Agreement, is 380 Interlocken Crescent, Suite 601, Broomfield, Colorado 80021 ("Operator").

RECITALS

A. Owner is the owner of the surface and is in possession of certain real property described on Exhibit "A" attached hereto and incorporated herein by this reference (the "Property").

B. Operator is the owner and holder of a leasehold and working interest in the oil and gas estate underlying all or portions of the Property and proposes to conduct drilling and production operations on the Property, in the future.

C. Owner and Operator desire to mitigate any surface damage to the Property and to set forth their agreements with respect to future oil and gas operations on the Property, the accommodation of development of the surface, and to provide for cooperation between the parties and the mutual enjoyment of the party's respective rights in and to the Property.

AGREEMENT

NOW, THEREFORE, for good and valuable consideration, the covenants herein made and the mutual benefits to be derived therefrom, the receipt and adequacy of which are hereby confessed and acknowledged, the parties hereto agree as follows:

1. Use of Property. Each of the parties covenants and agrees that it shall strictly observe the terms and conditions regarding surface occupancy set forth in this Agreement. This Agreement, and the rights and benefits granted and created herein shall be effective as of the date of this Agreement and

shall continue in full force and effect until the later to occur of (i) permanent cessation of operations being conducted on the Drill Site Area and Production Facilities Area, as hereafter defined, or (ii) expiration or termination of all oil and gas leases affecting the Property in existence at any time during the term of this Agreement, and in either event, Operator has plugged and abandoned all wells owned or operated by Operator and has complied with the requirements of all applicable oil and gas leases and applicable laws, rules and regulations pertaining to removal of equipment, reclamation, clean-up, and any other applicable provisions of such leases and applicable laws, rules and regulations.

Except for the Drill Site Area, Production Facility Area, Access Roads and Gas Lines as provided in this Agreement, Operator shall not occupy any part of the surface of the Property except in the event of emergency or for reasonable incidental, temporary and non-damaging activities related to Operator's proper operations, for which Operator shall be strictly and solely responsible for any damages that may occur.

2. Drill Site Area and Production Facility Area. Operator acknowledges that only the "Drill Site Area" and "Production Facility Area" (reflected on Exhibit "B" attached hereto and incorporated herein by this reference) shall be used as a surface location for future activities of Operator under this Agreement and under Operator's oil and gas leasehold interest with respect to the Property. The foregoing shall not be construed to permit Operator to drill or operate horizontal or directional wells that produce from and drain lands other than the Property unless properly pooled with the Property. Each Drill Site Area or Production Facility Area shall be at the location depicted on Exhibit "B" and shall be limited to the area reflected in the dimensions depicted on Exhibit "C" attached hereto and incorporated by this reference unless necessarily modified due to topographical or other physical constraints, and then only with the consent of Owner, which shall not be unreasonably withheld.

Upon completion of initial operations on any Drill Site Area, the surface thereafter used by Operator therein shall be entirely within the associated Production Facility Area, or applicable Access Easement or Gas Line Easement. Notwithstanding the depiction of the Production Facilities Area within a Drill Site Area as reflected on the attached

Exhibit "C," Operator shall have the right, with the consent of Owner, not to be unreasonably withheld, to modify the exact location and configuration of a Drill Site Area or a Production Facility Area, provided that any such Drill Site Area shall not exceed 400' x 400' (160,000 square feet) and any such Production Facility Area shall at all times remain entirely within the boundaries of the applicable Drill Site Area and shall not exceed 300' x 300' (90,000) square feet in area, unless otherwise agreed by Owner, which agreement shall not be unreasonably withheld. All references contained in this Agreement to a "Drill Site Area" shall also be deemed to refer to the applicable Production Facility Area resulting from operations on said Drill Site Area.

Owner acknowledges that the bottom hole locations for any wells drilled pursuant to this Agreement may not reflect the actual bottom hole locations for those wells. The actual bottom hole locations for each such well shall be determined by Operator in the ordinary course of Operator's economic, engineering and geologic evaluations of potential oil and gas well drill sites, and by and in accordance with the terms and provisions of any applicable oil and gas leases, and by and in accordance with all applicable laws, rules and regulations.

Prior to entry of any equipment onto a Drill Site Area, Operator's representative shall meet and consult with Owner (or Owner's representative), on the site, as to the exact location of the Drill Site Area, access roads and, if appropriate, flow line, equipment, and other associated operations and production facilities. Without limiting the foregoing, Operator shall have the right to locate, build, repair and maintain tanks, separators, dehydrators, compressors and any other equipment reasonably appropriate for the operation and production of any wells drilled upon the Property in accordance with this Agreement, but only within the applicable Drill Site Area or Production Facility Area. This Agreement precludes the location of any storage facilities on the Property with the exception of storage tank batteries for oil produced from operations on the Property. Furthermore, notwithstanding any other terms or conditions of this Agreement to the contrary, tank batteries shall be located only upon the Production Facility Area specifically identified for that purpose on the attached Exhibit "B."

3. Access Roads. Owner shall provide Operator with continuous access to all the Drill Site Areas, the Production Facility Areas and the Gas Lines, provided that unless

otherwise agreed to by Owner, Operator shall access all such areas over and across roadways now or hereafter located within the Property as depicted on the attached Exhibit "B," to be more fully described as set forth in the legal description to be prepared by Operator prior to installation of the Access Roads, Operator shall be responsible for the repair and maintenance of any such roadway. At the option of Owner, the Access Roads to be used by Operator will instead be those roads, if any, that are eventually constructed by Owner at its sole cost and expense as part of Owner's development of the Property. Nothing contained herein shall be construed as obligating Owner to construct any such roads. If any such Access Roads are to be used by Operator, Owner shall cause such roads to be constructed of sufficient scope to allow Operator to conduct its oil and gas operations (at least 30 feet in width and built to withstand a minimum of 104,000 pounds and 26,000 pounds per axle). At Owner's option, and provided that the foregoing specifications are met, Operator agrees, to the extent feasible, to access the Property and the Drill Site Areas, the Production Facility Areas and the Gas Lines only via such roads once the roads are constructed by Owner and Owner provides Operator notice to do so. Operator shall in such event abandon its previous access route(s) once it receives notice that it may access the appropriate portions of the Property via roads constructed by Owner in accordance with the foregoing. Operator shall have the right to move derricks, drilling tools, vehicles and other machinery and equipment necessary or incident to the drilling, testing, completion or operation of all Drill Site Areas, Production Facility Areas and Gas Lines, but shall promptly repair any damages caused to any Access Roads or any other portion of the Property in connection with such activities. The parties agree to execute, in substantially the form attached hereto as Exhibit "E," easements granting and confirming the rights of access consistent with the foregoing upon the request of either party.

4. Flow Lines, Gathering Lines and Gas Lines. Subject to the limitations hereinafter described, Operator has a continuing right and entitlement to install, own, operate, maintain, repair and replace all flow lines, gathering lines and other pipelines ("Gas Lines") that may be necessary or convenient to its operations on the Property, within the easements granted for that purpose as depicted as "Gas Lines" on the attached Exhibit "B," which will be more fully described as set forth in the legal description to be prepared by Operator or the gas line operator prior to installation of

the Gas Lines. This Agreement is intended to confine the placement of those pipelines to certain specified locations within the Property, but Owner shall consent to such other or additional locations as may be reasonably necessary for Operator to make all necessary well connections to any future well., provided that the proposed additional location takes into account reasonable accommodations of Owner's use and enjoyment of the surface of the Property. Operator shall not, without the prior written consent of Owner, have the right to lay additional Gas Lines on the Property except within the easements depicted on the attached Exhibit "B."

Owner shall have the right to require Operator to relocate any Gas Lines, at Owner's sole cost and expense, so long as such relocation is feasible and reasonable from a technical and engineering standpoint as determined by Operator in accordance with prevailing industry standards, and so long as such relocation complies with all applicable laws, rules and regulations. At such time as Owner desires to have any Gas Line relocated to an alternative location selected by Owner, Owner shall give written notice to Operator who shall promptly prepare, or commission the preparation of, a cost estimate to accomplish the relocation. As soon as available, Operator will then provide the cost estimate to Owner who will then have the opportunity to review same and make a final determination about whether it wishes to proceed with the relocation. If Owner elects to have Operator effectuate the pipeline relocation, it shall tender the estimated costs of such to Operator together with its written request to commence the project as soon as reasonably practicable.

All Gas Lines shall be buried to a depth of approximately 48 inches from the surface. Owner shall maintain a minimum of 48 inches and not more than 72 inches of cover over all pipelines and flow lines during any of Owner's operations on the Property. The construction and burying of all Gas Lines (except as provided above with respect to relocation of Gas Lines) shall be at the sole cost and expense of Operator or its gas purchaser.

The parties agree to execute, in substantially the form attached hereto as Exhibit "G," easements granting and confirming the rights for Gas Lines consistent with the foregoing upon the request of either party.

5. Setback Requirements. Owner will not locate any lot line, building, or structure within any Drill Site Area or Production Facility Area. Owner understands and acknowledges that the Colorado Oil and Gas Conservation Commission ("COGCC") has rules and regulations that apply to the distance between a wellhead and public roads, production facilities, building units and surface property lines, among other things. In order to give full effect to the purposes of this Agreement, Owner hereby waives its right to object to the location of any of Operator's facilities on the basis of setback requirements in the rules and regulations of the COGCC, as they may be amended from time to time, provided that in no event shall such waiver be construed as permitting any operation or location of any structure, improvement or equipment by Operator outside the areas specifically provided for in this Agreement. Operator or its successors and assigns may cite the waiver in this paragraph in order to obtain a location exception or variance under COGCC rules or from any other state or local governmental body having jurisdiction. Owner agrees not to object to Operator's use of the surface in the Drill Site Areas or Production Facility Areas so long as such use is consistent with this Agreement, and Owner will provide Operator or its successors and assigns with whatever written support they may reasonably require to obtain permits from the COGCC or any local jurisdiction, provided that Owner shall not be required to incur any cost or expense, or undertake any obligation or liability, in doing so.

6. Surface Damages. Prior to commencement of drilling operations on any Drill Site Area, Operator shall pay Owner the sum of [REDACTED] for that Drill Site Area, as full settlement and satisfaction of all damages growing out of, incident to, or in connection with the usual and customary exploration, drilling, completion, reworking, equipping and gas production operations, unless otherwise specifically provided herein.

The foregoing settlement does not include tank batteries or similar equipment or facilities used for the production, storage, transportation and sale of oil or gas from the Property not located within that Drill Site Area.

7. Other Damages. If by any reasons directly resulting from the operations of Operator, there is damage to real or personal property upon the Property which is not associated with usual and customary operations, such as (but not limited to) damage to crops, livestock, structures, buildings, fences,

culverts cement ditches, irrigation systems, and natural water ways, such damage will be repaired or replaced by Operator, or Operator will pay reasonable compensation to Owner for such additional damage. In addition, notwithstanding any other limitations contained in this Agreement, Operator shall also be responsible for and provide full compensation for any damage to growing or to be harvested or stored crops located on the Property arising out of any activities by Operator under this Agreement.

8. Environmental Indemnity

A. Environmental Indemnification. Operator shall protect, indemnify, and hold harmless Owner, any homeowners or property owners association, and any subsequent owner of all or any portion of the Property from any Environmental Claims relating to the Property or oil and gas leasehold thereunder that arise out of Operator's use and operation of the Drill Site Areas, Production Facility Areas, Access Roads or Gas Lines. Owner shall fully protect, defend, indemnify and hold harmless Operator from any and all Environmental Claims relating to the Property that arise solely out of Owner's development of the Property (provided that discovery by Owner, during the course of such development, of previously unknown Environmental Claims caused by Operator shall be the responsibility of Operator).

B. "Environmental Claims" shall mean all Claims asserted by governmental bodies or other third parties for pollution or environmental damage of any kind, arising from operations on or ownership of the Property or ownership of the oil and gas leasehold interest, whichever is applicable, and all cleanup and remediation costs, fines and penalties associated therewith, including, but not limited to, any Claims arising from Environmental Laws or relating to asbestos or to naturally occurring radioactive material. Environmental Claims shall not include the costs of any remediation undertaken voluntarily by any party, unless such remediation is performed under the imminent threat of a Claim by a governmental body or other third party.

C. "Environmental Laws" shall mean any laws, regulations, rules, ordinances, or order (whether currently existing or hereafter adopted) of any federal, state or local governmental authority(ies), which relate to or otherwise impose liability, obligation, or standards with respect to pollution or the protection of the environment, including, but

not limited to, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (42 U.S.C. § 9601, et seq.), the Resource Conservation and Recovery Act of 1976 (42 U.S.C. §§ 6901, et seq.), the Clean Water Act (33 U.S.C. §§ 466, et seq.), the Safe Drinking Water Act (14 U.S.C. §§ 1401-1450), the Hazardous Material Transportation Act (49 U.S.C. §§ 1801, et seq.), the Clean Air Act, and the Toxic Substances Control Act (15 U.S.C. §§ 2601-2629).

9. Operational Restrictions. In conducting its operations on the Property, Operator shall:

A. Separate the top soil at the time of excavation of pits so that the top soil and subsurface soil be placed back in proper order as nearly as possible.

B. Use its best efforts to keep the Drill Site Areas and Production Facility Areas free of weeds and debris, and shall properly dispose of same, off-site.

C. Operator shall utilize low profile (maximum nine [9] feet) tanks, pumps and similar equipment. Owner shall have the right to install, from time to time, such berms, screening and landscaping as may be reasonably acceptable to Owner to screen any Production Facility Area and any production equipment, at its sole cost and expense, as long as it does not result in increased risk to the health and safety of Operator's employees or others, and does not interfere with the operation and production of the well or related equipment.

D. Operator shall at all times properly maintain and keep in good repair and condition all landscaping, fences, roads, and other improvements required or permitted to be installed or in connection with each Drill Site Area, Production Facility Area, Access Road or Gas Line, in order to keep such location and facilities in good and safe working order and to maintain such facilities and trim all, and provide proper weed control, use appropriate dust abatement procedures on all roads and the well site, including, without limitation, not less than annual applications of dust inhibitor, and otherwise maintain the site in as attractive a condition as is reasonably possible. Without limiting the foregoing, Operator, from time to time, shall repaint all equipment and improvements to a mutually agreed upon (such agreement not to be unreasonably withheld) earth tone color to keep a professional and clean appearance. Operator will

install culverts as may be necessary to maintain present drainage and irrigation patterns otherwise affected by its operations on or about the Property.

E. Upon abandonment of any well, Operator shall properly plug and abandon same in complete accordance with the requirements of the Colorado State Oil and Gas Conservation Commission and any other governmental authority with jurisdiction over the Property. In addition, upon abandonment of any Drill Site Area or Production Facility Area, Operator shall fully restore the location as near as practical to its pre-drilling state (provided that, at Owner's option, any berms and/or landscaping installed by Operator may remain in place). Without limiting the foregoing, Operator shall also fully reclaim and restore to its original condition the location of any Access Roads or Gas Line(s) used by Operator with respect to any abandoned well site (subject to the option of Owner, exercisable in its sole discretion, to maintain any or all such Access Roads in place).

F. Reclaim each Drill Site Area and Production Facility Area as nearly as practicable to its original condition and if the location is in a pasture, reseed the location with native grasses. Weather permitting; reclamation operations shall be completed within three (3) months following drilling and subsequent related operations, unless Operator and Owner mutually agree to postponement because of crop, weather or other considerations.

G. Operator shall use the Drill Site Area and Production Facility Area only for drilling and production operations and placements of wellheads, separators, and normal well site storage tanks, and shall not install or store any other temporary or permanent structures, equipment or facilities on the Drill Site Area or Production Facility Area without prior written consent of Owner, which may be withheld at Owner's sole discretion. Notwithstanding the foregoing, Operator may install such structures, equipment, or facilities as (i) are necessary to the efficient and safe operation of a well or wells; (ii) are necessary to address an emergency; or (iii) are required by applicable law, regulation, code or ordinance. Operator shall use electric motors and underground electrical lines for all production operations. Operator shall install, maintain and repair, at its sole cost, such equipment and facilities as are reasonably available to mitigate noise, odor and other adverse impacts of its operations, including, without limitation, enclosed separator

units, vapor recovery units and emission control devices. Also, without limiting the foregoing, Operator shall not install or operate gas plants, collection facilities - other than customary tank batteries - or other similar major facilities on the Drill Site Area, the Production Facility Area or anywhere else on the Property.

H. Operator shall provide at least seven (7) days prior written notice to Owner of any reasonably anticipated operations in connection with any major reworking or fracturing, deepening or recompletion operations on any well(s); provided, however, that Operator shall provide at least twenty-one (21) days prior written notice of the anticipated drilling of any future well or wells to Owner or, if Owner has provided to Operator written notice of the existence of same and contact information for same, any homeowner's or property owner's association that is associated with the Property. Regardless of the foregoing notice requirements, Operator shall have immediate access to any of its facilities in the event of an emergency.

After receipt of the above notice, but not less than five (5) working days prior to Operator's mobilization on the applicable Drill Site Area or Production Facility Area, either Operator or Owner may request an on-site meeting. The purpose of the meeting shall be to inform Owner of the expected activity and to coordinate site access, hazards, barricades, restoration or any other issues that affect the use and safety of Owner's development. In addition, Operator shall, at such meeting, consult with the Owner regarding the anticipated location of operations and equipment facilities on any Drill Site Area or Production Facility Area, use of Access Roads and installation and timing of Gas Lines and other associated production facilities.

10. Compliance with Applicable Laws. Owner and Operator shall each, at all times, conduct their respective operations on or about the Property in compliance with all conditions or requirements of any and all applicable laws, rules, regulations, and requirements imposed by any governmental agency, including, without limitation, the Colorado Gas and Conservation Commission. In the event that any condition set forth in any such law, rule and regulation, and any condition contained in this Agreement are in conflict, the more restrictive shall apply. In addition, each party shall conduct its operations in compliance with the standards imposed by the State of Colorado, Weld County or the Town of

Berthoud, or agreed to by such party in connection with any use permit obtained from any governmental authority with respect to such party's operations. Nothing contained herein shall be construed as waiving the right of either party to contest any requirement sought to be imposed by any such governmental authority.

Without limiting any other provisions of this Agreement, each party shall conduct its respective operations in compliance with any and all governmental regulations and industrial standards with respect to health and safety considerations, and proper environmental protection, including, without limitation, mitigation of noise, drainage and erosion control, dust control, air, soil and water quality protection and visual impacts. Each party shall indemnify and hold harmless the other party from any loss incurred as a result of breach of any such standards. Operator shall also promptly remediate any contamination to soil or water, whether on a Drill Site Area, a Production Facility Area, or elsewhere, caused solely by its operations on the Property.

11. Insurance. Before and during drilling and production operations on the Property, Operator shall at all times maintain appropriate insurance, including, without limitation, workers compensation insurance, in compliance with Colorado law for its employees or contractors involved in the conduct of operations on any portion of the Property and general public liability insurance in such amounts as are customarily maintained for operations similar to those conducted by Operator.

12. Land Development. Operator acknowledges that it is the intent of Owner to further develop the surface of the Property and adjacent property, and Operator shall use commercially reasonable efforts in the conduct of all operations pursuant to this Agreement to accommodate such use and development, and to conduct its operations in such a way as not to interfere with such use and development. Owner acknowledges that it is the intent of Operator to conduct future drilling and production operations on specified portions of the Property, and Owner shall use commercially reasonable efforts in its use and development of the surface so as not to interfere with such drilling and production operations, provided that nothing contained herein shall be construed as requiring Owner to allow Operator to conduct any such operations at any location other than the Drilling Site Area and Production Facility Area identified in this

Agreement, nor shall this provision be construed as precluding Owner from using and developing the Property for any residential, commercial or other purpose permitted by any applicable governmental zoning laws, rules and regulations.

13. Cooperation. Owner agrees to cooperate with Operator, at Operator's request, in Operator's effort to seek approval by Weld County or the State of Colorado, of the proposed oil and gas development on the Property and join in the execution of any consents or other documents necessary to permit Operator to pursue such approvals (subject, however, to the condition that the proposed operation must be consistent with the terms and conditions of this Agreement). Operator acknowledges that it is aware of Owner's intended future development of the surface of the Property and Operator agrees that it will not protest or object to any land use, subdivision, zoning, or other similar proposal presented by Owner to any municipality, Weld County or the State of Colorado with respect to the Property and that Operator will join in the execution of any plats, consents, or other documents necessary to permit Owner to pursue such approvals. The foregoing provision is subject to the condition that the proposed use or development will not result in an unreasonable increased risk to the health and safety of the Operator's employees or others, and does not unreasonably interfere with or unreasonably increase the cost of operation and production of Operator's well or wells.

14. Governing Law. It is expressly understood and agreed by and between the parties hereto that this Agreement shall be governed by and its terms construed under the laws of the State of Colorado. The parties further expressly acknowledge and agree that jurisdiction and venue for any actions arising out of or in connection with this Agreement shall be in District Court, in the County of Weld, State of Colorado.

15. Default Remedies. The parties to this Agreement acknowledge and declare that, under certain circumstances where no other reasonable remedy is available, it would be impossible or difficult to measure in money the damages which would accrue to either party by reason of the failure of the other party to perform its obligations as set forth herein. Therefore, under such circumstances where no other reasonable remedy is available, should any dispute arise or any action be instituted by either party to this Agreement, to enforce the

provisions of this Agreement, it is agreed that this Agreement shall be enforceable in a court of equity by decree of specific performance, and also that appropriate injunctions may be issued. Each of the parties hereto waives, for itself and its successors and assigns, any claim or defense that an adequate remedy exists in law. The remedies provided herein shall be cumulative, and not exclusive, and shall be in addition to any other remedies available to a non-defaulting party. In the event it is necessary for any party to engage in the services of legal counsel in order to enforce its rights hereunder, the prevailing party in any such proceedings shall be entitled to an award of its reasonable costs and expenses (including attorneys' fees). Prior to any party declaring this agreement or any party or any party in default, the non-defaulting party shall send the other party a notice of default and provide a 30 day cure period. In the event the claimed default is not able to reasonably be cured within 30 days, this Agreement shall not be in default so long as cure is being diligently pursued and cured within a reasonable time. Prior to the institution of any litigation, the Parties agree to participate in non-binding mediation, which shall be included within 60 days of any demand of the same. The parties shall select a mediator from a list provided by the Judicial Arbitrator Group in Denver, Colorado, if they are unable to otherwise agree upon a mediator. Each side shall equally pay the expenses of such mediation. In any civil litigation arising out of this Agreement, trial shall be to the Court and each side waives all rights to trial by jury. The foregoing shall not be construed as precluding immediate legal proceedings by Owner to enjoin operations by Operator outside any Drill Site Area or Production Facility Area which is not authorized or contemplated by this Agreement.

16. Assignment. This Agreement shall be assignable, in whole or in part, by either party, subject to the following:

A. Operator may assign its interest in the Oil and Gas Lease(s) covering the subject property only following written disclosure to the assignee of the existence of this Agreement, and such assignment shall be expressly subject to all terms and conditions of this Agreement (whether or not so stated therein), and the assumption by assignee of all obligations of Operator under this Agreement (whether or not so stated therein).

B. Owner may assign or convey its interest in the Property or any portion thereof only following written disclosure to the assignee of the existence of this Agreement, and such assignment or conveyance shall be expressly subject to all terms and conditions of this Agreement, and the assumption by such assignee or grantee of all obligations of Owner under this Agreement.

17. Headings. The headings in this Agreement are inserted for convenience only and are in no way intended to describe, interpret, define or limit the scope, extent or intent of this Agreement or any provision hereof.

18. Notices. Any notice or other communication given by either party to the other relating to this Agreement shall be in writing, and shall be delivered in person, sent by certified mail, return receipt requested, sent by reputable overnight courier, or sent by facsimile transmission (with evidence of such transmission received) to such other party at the respective addresses set forth below (or at such other address as may be designated from time to time by written notice given in the manner provided herein). Such notice shall, if hand delivered or personally served, be effective immediately upon receipt. If sent by certified mail, return receipt requested, such notice shall be deemed given on the third business day following deposit in the United States mail, postage prepaid and properly addressed; if delivered by overnight courier, shall be deemed effective on the first business day following deposit with such courier; and if delivered by facsimile transmission, shall be deemed effective when received:

If to Owner, to:

MLD Equities LLC
1416 Harris Drive
Fort Collins, Colorado 80524
Facsimile: (970) _____

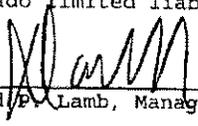
If to Operator, to:

Sundance Energy, Inc.
380 Interlocken Crescent, Suite 601
Broomfield, Colorado 80021
Facsimile: (____) _____

19. Binding Effect. This Agreement shall be binding upon and inure to the benefit to the successors and assigns of the parties, and may be executed in counterparts. The provisions of this Agreement shall constitute covenants running with the Property for so long as this Agreement (and any modifications thereof) remains in force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Surface Use Agreement as of the day and year first above written.

MLD EQUITIES LLC,
a Colorado limited liability company

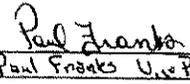
By: 
David P. Lamb, Manager

By: 
Joseph Stephen Mack, Manager

By: 
Ken Dalton, Manager

"Owner"

SUNDANCE ENERGY, INC.,
a Colorado corporation

By: 
Paul Franks Vice Pres. Op.

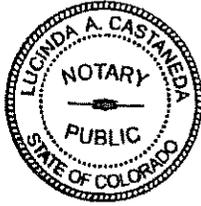
"Operator"

STATE OF COLORADO)
) ss.
COUNTY OF LaCimex)

The foregoing instrument was acknowledged before me this 3rd day of October, 2011, by Ken Dalton as Manager of MLD EQUITIES, LLC, a Colorado limited liability company.

WITNESS my hand and official seal.

My commission expires: 10-29-2014



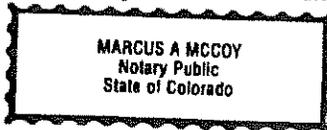
Lucinda A. Castaneda
Notary Public

STATE OF COLORADO)
) ss.
COUNTY OF Branfield)

The foregoing instrument was acknowledged before me this 5th day of October, 2011, by Paul Frank as Vice Pres Ops of SUNDANCE ENERGY, INC., a Colorado corporation.

WITNESS my hand and official seal.

My commission expires: 9/27/2014



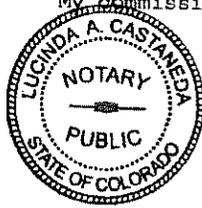
Marcus A. McCoy
Notary Public

STATE OF COLORADO)
) ss.
COUNTY OF Larimer)

The foregoing instrument was acknowledged before me this 4th day of October, 2011, by David P. Lamb as Manager of MLD EQUITIES, LLC, a Colorado limited liability company.

WITNESS my hand and official seal.

My commission expires: 10-29-2014



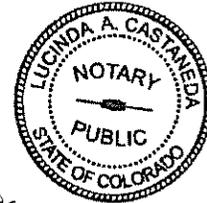
Lucinda A. Castaneda
Notary Public

STATE OF COLORADO)
) ss.
COUNTY OF Larimer)

The foregoing instrument was acknowledged before me this 30th day of September, 2011, by Joseph Stephen Mack as Manager of MLD EQUITIES, LLC, a Colorado limited liability company.

WITNESS my hand and official seal.

My commission expires: 10/29/2014



Lucinda A. Castaneda
Notary Public

Exhibit "B"
MLD Well Pad
NW-SEC 22-4N-68W

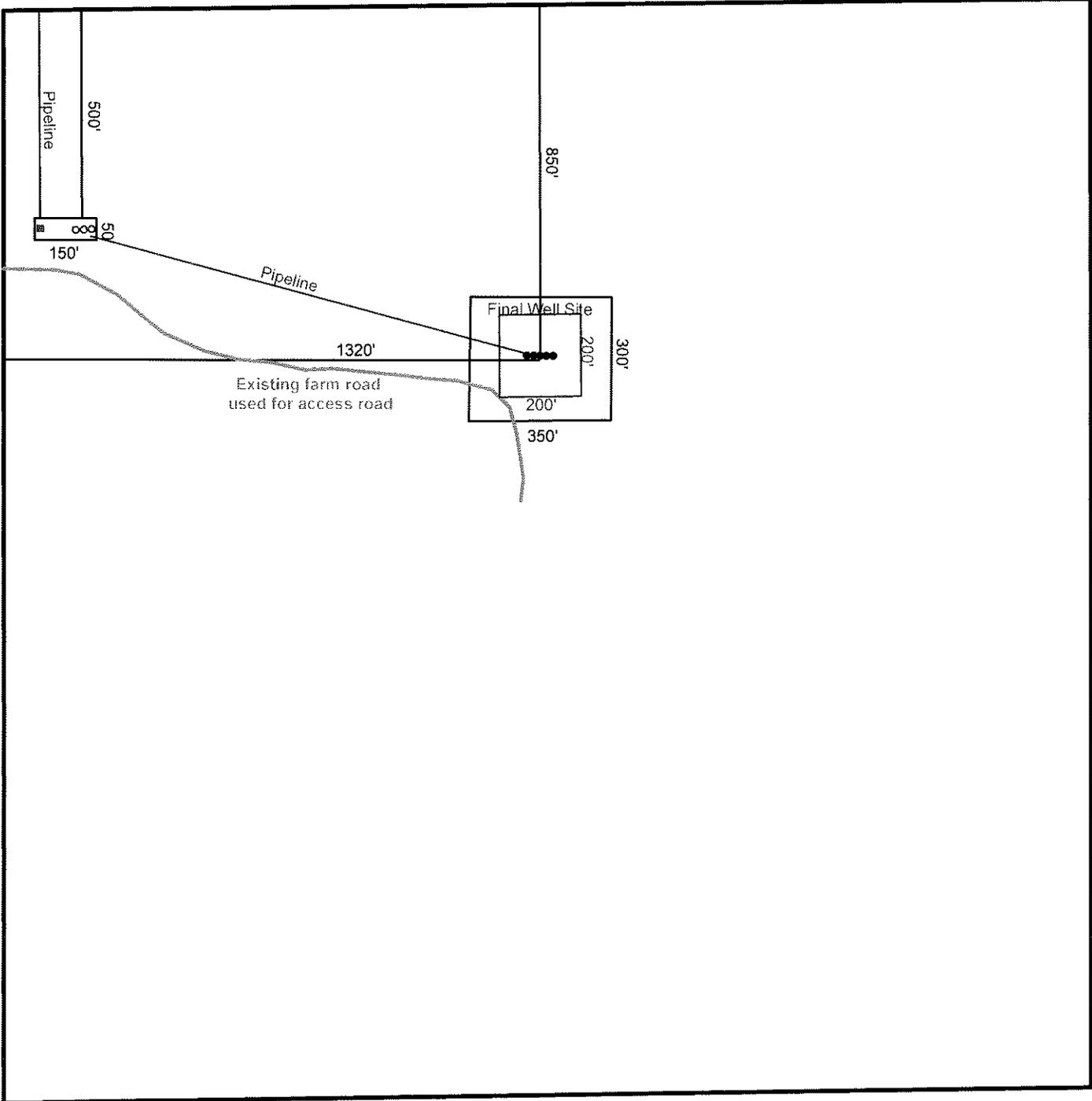


EXHIBIT "A" ATTACHED TO AND MADE A PART OF THE SURFACE USE AGREEMENT BY AND BETWEEN MLD EQUITIES, LLC, A COLORADO LIMITED LIABILITY COMPANY ("OWNER") AND SUNDANCE ENERGY, INC., A COLORADO CORPORATION ("OPERATOR").

Legal Description of the Property

[SEE ATTACHED]

Legal Description of the Property

The Northwest Quarter and North Half of the South Half of Section 22, Township 4 North, Range 68 West of the 6th P.M., Excepting therefrom that portion in deed to the Department of Highways, State of Colorado, recorded April 9, 1962 in Book 1611 at Page 268, said tract or parcel being more particularly described as follows:

Beginning at a point on the W line of Sec. 22, T. 4 N., R. 68 W., from which the NW corner of Sec. 22 bears N. 0° 23' W., a distance of 94.9 feet;

1. Thence along the W. line of Sec. 22, N. 0° 23' W., a distance of 94.9 feet to the NW corner of Sec. 22;
2. Thence along the N. line of Sec. 22, N. 89° 00' E., a distance of 2,663.0 feet to the NE corner of the NW 1/4 of Sec. 22;
3. Thence along the E. line of the NW 1/4 of Sec. 22, S. 0° 24' E., a distance of 92.9 feet;
4. Thence S. 88° 21' W., a distance of 293.5 feet;
5. Thence S. 89° 08' 30" W., a distance of 1,960.7 feet;
6. Thence S. 89° 22' W., a distance of 408.2 feet, more or less, to the point of beginning.

Also excepting that portion in deed to Weld County recorded November 22, 1989 in Book 1249 at Reception No. 2198103, said tract or parcel being more particularly described as follows:

Beginning at a point on the East right-of-way line of the county road (1989) from which the NW corner of Section 22, Township 4 North, Range 68 West, 6th P.M. bears N. 00° 28' 00" W. a distance of 2,250.20 feet;

1. Thence N 09° 39' 19" W. a distance of 30.00 feet to the center of the county road (1989);
2. Thence S. 03° 20' 41" W. a distance of 800.00 feet along the center of the county road (1989);
3. Thence S. 88° 39' 18" E. a distance of 30.00 feet to the east right-of-way line of the county road (1989);
4. Thence N. 30° 20' 41" E. a distance of 30.00 feet;
5. Thence N. 00° 20' 41" E. a distance of 499.02 feet;
6. Thence N. 10° 57' 55" W. a distance of 58.99 feet;
7. Thence N. 00° 20' 41" E. a distance of 216.34 feet;
8. Thence N. 29° 39' 19" W. a distance of 30.00 feet, more or less, to the point of beginning.

County of Weld,
State of Colorado.

(for informational purposes only) 20550 Weld County Road 7