

SURFACE DAMAGE AGREEMENT

THIS AGREEMENT is made and entered into this 13th day of September, 2012, by and between Stanley Martin, hereinafter called Grantor, and Grand Mesa Operating Company, hereinafter called Grantee. For and in consideration of the sum of [REDACTED] (said sum to be delivered to Grantor prior to drilling operations being commenced and annually on the anniversary of said commencement if completed as a producing well), the receipt and sufficiency of which is hereby acknowledged. [REDACTED] per well shall apply to the first three wells drilled on the following lands. Any well after three, the sum shall be [REDACTED] per well for surface damages and annually thereafter. The sum of [REDACTED] shall be the maximum amount due for damages for wells drilled on these lands. GMOC shall be given credit for any plugged wells and the annual payment shall reflect said credit.) Grantor does hereby accept said sum as complete settlement and satisfaction and hereby discharges Grantee for surface damages caused by the drilling, completion and operation of the APC-Martin #1-3 Well located on lands situated in Lincoln County, Colorado, described as follows, to-wit:

Township 10 South, Range 55 West

Section 3: SE/4

The provisions of this Surface Damage Agreement shall extend to and be binding upon the heirs, personal representatives, successors and assigns of the Grantor named herein.

IN WITNESS WHEREOF, the undersigned Grantor has accepted all of the terms and provisions of the Surface Damage Agreement as of the date shown above.

Stanley Martin
STANLEY MARTIN

STATE OF COLORADO)
COUNTY OF LaPlata) ss

Before me, the undersigned, a Notary Public, within and for said County and State on this 13th day of September, 2012, personally appeared Stanley Martin, to me personally known to be the identical person who executed the within and foregoing instrument and acknowledged to me that he executed the same as a free and voluntary act and deed for the uses and purposes therein set forth, and at the same time the affiant was by me duly sworn to the foregoing Surface Damage Agreement.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.

MY COMMISSION EXPIRES:

11/10/2013

Jagdish C Kothari
Notary Public

JAGDISH C KOTHARI
NOTARY PUBLIC
STATE OF COLORADO
MY COMMISSION EXPIRES 11/10/2013