

OIL AND GAS LEASE

AGREEMENT, Made and entered into the 13th day of January, 2012 by and between River Bluffs Ventures, LLC, a Colorado limited liability company and Serfer Land Ventures, LLC, a Colorado limited liability company whose address is 1927 Wilmington Drive, Ste 101, Fort Collins, CO 80528 hereinafter collectively called Lessor and Baywater Exploration & Production, LLC whose address is 730 17th St Ste 610 Denver, CO 80202 hereinafter called Lessee.

WITNESSETH, That the Lessor for and in consideration of Ten and more Dollars (\$10.00+) cash in hand paid, the receipt of which is hereby acknowledged, and the covenants and agreements hereinafter contained, has granted, demised, leased, and let, and by these presents does grant, demise, lease, and let exclusively unto the said Lessee, the land hereinafter described, with the exclusive right for the purpose of mining, exploring by geophysical and other methods, and operating for and producing therefrom oil and all gas of whatsoever nature or kind with rights of way and easements for laying pipe lines, and erection of structures thereon to produce, save, and take care of said producers, all that certain tract of land situated in the County of Larimer, State of Colorado, described as follows, to-wit:

Township 6 North, Range 68 West, 6th E.M.
Section 13: That portion of the SE more specifically described (parcel 1) in that certain Special Warranty Deed dated March 14, 2007 and recorded April 7, 2009 at Reception no. 20090029256 in Larimer County, CO
RECEPTION# : 20090029256 RECORDED ON 04/07/2009 AT 04:35:20 PM

RECEPTION#: 20090029256, 05/07/2009 at 04:35:20 PM, 1 OF 4, R \$21.00 State Documentary Fee \$0.00 TD Pgs: 3 Scott Doyle, Larimer County, CO

EXEMPT

SPECIAL WARRANTY DEED

THIS DEED, made this 14th day of March, 2007, between DINO DITULLIO, of the County of Larimer, State of Colorado ("Grantor"), and TIMWATH FARM INVESTMENTS, LLC, a Colorado limited liability company, the mailing address of which, for purposes of this Deed, is 3003 East Harmony Road, Suite 500, Fort Collins, Colorado 80528, of the County of Larimer, State of Colorado ("Grantee").

WITNESSETH:

That Grantor, for and in consideration of the sum of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, has granted, bargained, sold, and conveyed, and by these presents does hereby grant, bargain, sell, convey, and confirm unto Grantee, its successors and assigns, forever, all the real property, together with improvements, if any, situate, lying and being in the County of Larimer, State of Colorado, which is legally described on Exhibit "A" attached hereto and incorporated herein by reference.

TOGETHER WITH all and singular the hereditaments and appurtenances therunto belonging, or in anywise appertaining, the reversion and reversions, remainder and remainders, rents, issues, and profits thereof; and all the estate, title, interest, claim, and demand whatsoever of Grantor, either in law or equity, of, in, and to the above-bargained premises, with the hereditaments and appurtenances.

TO HAVE AND TO HOLD the said premises above bargained and described, with the appurtenances unto Grantee, its successors and assigns, forever. Grantor, for himself and his heirs, personal representatives, and assigns, does covenant and agree that he shall and will warrant and forever defend the above-bargained premises in the quiet and peaceable possession of Grantee, its successors and assigns, against all and every person or persons claiming the whole or any part thereof, by, through, or under Grantor.

The above-described property is being conveyed by Grantor to Grantee subject to the matters which appear on Exhibit "B" attached hereto and incorporated herein by reference.

IN WITNESS WHEREOF, Grantor has executed this Special Warranty Deed on the date set forth above.

[Signature]
DINO DITULLIO

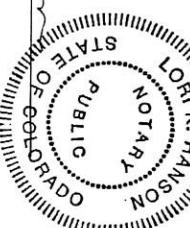
STATE OF COLORADO))
)) ss.
COUNTY OF LARIMER))

The foregoing instrument was acknowledged before me this 14th day of March, 2007, by DINO DITULLIO.

WITNESS my hand and official seal.

My commission expires: 11/10/10

[Signature]
Lori K. Hanson
Notary Public



HASLER, FONFARA AND MAXWELL
125 SOUTH HOWES, 6TH FLOOR
POST OFFICE BOX 2267
FORT COLLINS, CO 80522