

SURFACE USE AGREEMENT

This Surface Use Agreement ("Agreement") is made this 5th day of August 2011, by and between Gulliver Energy, Inc. ("Operator"), whose address is 1600 17th Street, South Tower, Suite 2800, Denver Colorado 80202, and Weld County Land Investors, Inc. ("Surface Owner"), whose address is C/O Colorado Landmark Partners, 2350 Broadway, Boulder, CO 80304.

RECITALS

A. Surface Owner owns the surface estate of a tract of land being a portion of, the W/2 of Section 33, Township 4 North, Range 68 West of the 6th P. M., Weld County, Colorado (hereinafter referred to as the "Property").

B. Operator is the owner of the oil and gas leasehold interest in and under the Property and has the right to drill wells ("Wells") on the Property.

C. Surface Owner currently conducts farming operations on the Property but has the right to and may develop the surface of the Property in the future.

D. This Agreement sets forth the parties' rights and obligations regarding the relationship between the use of the Property by Surface Owner and Operator's operation and development of its oil and gas leasehold estate.

NOW WHEREFORE and in consideration of the mutual covenants contained herein, including the Recitals, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. WELL LOCATIONS AND OPERATIONS AREA

a. All activity of Operator pursuant to that certain lease dated August ____, 2011 and this Agreement shall occur only within the "Oil and Gas Operations Area" or "OGOA" as set forth in Exhibit A, attached hereto and incorporated herein by reference. Activity shall mean all Wells, including, but not limited to workovers, well deepening, recompletions, fracturing, refracturing and replacement wells. The Wells shall be drilled without regard to pits. All wells to be drilled within the OGOA whether vertical, horizontal or directional shall be drilled at the Operator's sole cost and expense without any contribution from Surface Owner and all well heads shall

have a surface location within the CGOA.

b. The dimensions of the OGOA shall be as shown on Exhibit A. All wellheads shall be located as close together as is reasonably practicable and shall be set back at least 150 feet from the boundaries of the OGOA.

c. Except for the space included within the OGOA and including the access roads and easements associated with flowlines, gathering lines and pipelines as provided in this Agreement, Operator shall not use or occupy any additional surface of the Property except in the event of an emergency or for reasonable incidental, temporary and non-damaging activities, for which Operator shall be strictly and solely responsible for any damages that may occur.

d. Surface Owner will not locate any building or structure within the OGOA. Surface owner may locate utility lines, roads and trails in the OGOA with Operator's approval, which approval shall not be unreasonably withheld. Surface Owner reserves the right to plant grasses and crops in the OGOA and to irrigate, mow and harvest the same.

2. PRODUCTION FACILITIES

a. Operator shall have the right to locate, build, repair and maintain tanks, separators, dehydrators and other equipment reasonably appropriate for the operation and production of the Wells ("Production Facilities") only within the OGOA. Compressors, with the exception of wellhead compressors, shall not be located on the Property. Operator shall install low profile tanks and treaters.

b. All Production Facilities shall be consolidated together in the OGOA and shall be located as close to the Wells as is reasonably practicable.

c. Surface Owner shall have the right to request that Operator relocate any Production Facilities at Surface Owner's sole cost and expense, and Operator shall not refuse such request, so long as such relocation is reasonable from a technical and

engineering standpoint and complies with all Colorado Oil and Gas Commission ("COGC") and other applicable rules and regulations.

f. Operator shall install and maintain, at its sole cost and expense, all fences around the Wells in compliance with the rules and regulations of the COGC. The fence material may be upgraded at Surface Owner's option and expense, so long as the upgrade complies with COGC rules and regulations.

g. Operator shall install and maintain, at its sole cost and expense, all gates and locks reasonably necessary for the security of the Wells and Production Facilities.

Such gates and locks shall be the standard gates and locks used by Operator.

h. Operator shall paint any Production Facilities for any Wells, including wellhead guards, with paint that is approved by the COGC. The color may be selected by the Surface Owner, provided that any additional cost of using the color is paid by Surface Owner and that it is in compliance with COGC rules and regulations.

i. Operator shall keep all Production Facilities in a good state of repair.

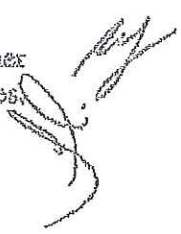
j. Operator shall employ the highest standards available to control air pollution from the Wells, tanks and separators and to abate noise.

k. Operator shall maintain adequate insurance against theft and vandalism and shall indemnify and hold harmless Surface Owner for all claims whatsoever relating to the appearance and safety of the Well Production Facilities.

3. PIPELINES, FLOWLINES AND GATHERING LINES

a. All Flowlines ("Flowlines") from the Wells to the Production Facilities shall be located inside the Oil and Gas Operations Area and take the most direct route from the Wells to the facilities. The Flowline easements shall be twenty five feet (25') in width.

b. Surface Owner acknowledges that Operator will require other pipelines and gathering lines ("Pipeline(s)") that will be used to carry oil, gas and other hydrocarbons from the Production Facilities onto other pipelines and facilities.



Surface Owner shall grant to Operator non-exclusive easement along the Property boundaries to construct, operate, maintain, repair and replace these Pipelines. Operator agrees that the locations of the Pipelines will be in a mutually agreeable location that does not interfere with Surface Owner's current use or future development of the Property. The Pipeline Easements shall be no more than fifty feet (50') in width during construction and twenty five feet (25') in width permanently.

c. All Flowlines and Pipelines shall be buried to a depth of 48 inches (48") from the surface.

d. Surface Owner shall have the right to place utilities within the Pipeline easements so long as such utilities are placed no closer than ten feet (10') horizontally or eighteen inches (18") vertically from Operator's pipelines. Surface Owner shall also have the right to cross the Pipeline easements with roads, trails and fences placed at substantially right angles.


e. Surface Owner shall have the right to request that Operator relocate any Flowlines or Pipelines at Surface Owner's sole cost and expense, and Operator shall not refuse such request, so long as such relocation is reasonable from a technical and engineering standpoint and complies with all COGCC and other applicable rules and regulations.

f. Operator shall abandon any portion of a Flowline or Pipeline easement that will no longer be used for its operations.

4. ACCESS

a. Operator shall access the OGCA from Weld County Road 3 as depicted on Exhibit A.

b. Prior to Operator commencing operations for the Wells, Operator shall consult with Owner regarding the location of the access road ("Access") to be constructed and used by Operator within the OGCA and the parties shall mutually agree on a location. The Access used by Operator within the OGCA shall be twenty-five feet (25') in width and Operator shall keep such Access well maintained. Such Access shall be non-exclusive and capable of use by Surface Owner and Surface Owner's tenants, assigns and licensees for all purposes, including but not limited to crossings of Access by Surface Owners tenants, assigns and licensees.



9. GOVERNMENTAL PROCEEDINGS

a. Surface Owner shall not directly or indirectly oppose or encourage opposition to Operator in any agency administrative or other governmental proceedings, including but not limited to the COGC, neighboring Towns, County of Weld, or other governing body proceedings, related to Operator's operations as contemplated by this Agreement, including but not limited to drilling, workovers, well deepenings and re-completions, provided that Operator's position in such proceedings is consistent with this Agreement. Surface Owner further agrees to provide Operator with whatever support it may reasonably request to obtain permits, variances, waivers or other necessary approvals or documents from the COGC or any local jurisdiction so long as such support is consistent with this Agreement provided however that Surface Owner support shall not include any financial participation of any kind in furtherance of Operator's plans.

b. Operator shall not directly or indirectly oppose or encourage opposition to Surface Owner in any agency, administrative, neighboring Towns, County of Weld or other governing body proceedings, relating to the development of the Property by Surface Owner provided its position in such proceedings is consistent with this Agreement.

c. Surface Owner will include in any surface development plans, site development plans, or related documents, submitted to the neighboring Towns and/or Weld County the following information: the Oil and Gas Operations Area, location of Wells and Production Facilities, actual or planned Access, and Easement encumbrances.

10. REPRESENTATIONS

Each party represents that it has the full right and authority to enter into this Agreement.

11. INDEMNIFICATION

Operator agrees to defend, indemnify and hold Surface Owner harmless



from any and all third party claims, demands or judgments connected with Operator's use of the Property. This indemnification shall specifically include any environmental issues or claims created by the Operator pursuant to any oil and gas lease or through the operation of the Agreement. While in no way limiting the foregoing indemnification, examples of environmental issues and claims shall include but not limited to hazardous spills of oil, gas and solvents upon the surface of the Property and any water related concerns as a result of aquifer contamination through the introduction of chemicals into the sub-surface, restacking or wastewater disposal.

12. SUCCESSORS AND COVENANTS RUN WITH THE LAND

This Agreement constitutes covenants running with the land and the terms, covenants, and conditions hereof shall be binding upon and shall inure to the benefit of the parties and their respective successors and assigns.

13. TERM

This Agreement shall become effective when it is fully executed and shall remain in full force and effect until Operator's leasehold estate expires or is terminated, and Operator has plugged and abandoned all Wells owned all or in part by Operator and complied with the requirements of all applicable oil and gas leases pertaining to removal of equipment, reclamation, cleanup and all other applicable provisions of the leases and existing laws and regulations at Operator's sole cost and expense.

14. NOTICES

Any notice or other communication required or permitted under this Agreement shall be sufficient if deposited in U.S. Mail, postage prepaid, with a courtesy copy sent via facsimile or e-mail if immediate action is desired, addressed to each of the following:

To Operator:

Gulfstar Energy, Inc.
600 17th Street
South Tower, Suite 2600
Denver, CO 80202

FAX:

EMAIL: Walford.consulting@gmail.com

To Surface Owner:

Weld County Land Investors, Inc.
C/O Colorado Landmark Realtors
2350 E. 1st Avenue
Boulder, CO 80504

FAX: 303-443-5999



BY VIDEO/RECORDING

T. FAX: May 17, 2011 09:11:11

EMAIL:

joelrubinmaster@coloradolawfirm.com

Any party may, by written notice so delivered to the other parties, change the address or individual to which delivery shall thereafter be made.

15. RECORDING

A copy of this Agreement and any amendment hereto, shall be recorded in the records of the Office of the Clerk and Recorder for Weld County, Colorado.

16. APPLICABLE LAW

This Agreement shall be governed by and construed in accordance with the laws of the State of Colorado, without reference to its conflict of laws provisions.

17. COCC AND OTHER RULES

Unless waived or otherwise stated herein, Operator shall conduct its operations on the Property in accordance with all of the rules and regulations promulgated by the COCC, as well as all other state and federal laws, rules and regulations and those of the Town of Mead, Colorado.

18. ENTIRE AGREEMENT

This Agreement, which incorporates Exhibit A attached hereto, sets forth the entire understanding among the parties hereto regarding the matters set forth herein, and supersedes any previous communications, representations or agreements, whether oral or written. This Agreement shall not be amended, except by written document signed by all parties.

19. EXECUTION AND COUNTERPARTS

This Agreement may be executed in any number of counterparts each of which shall be deemed an original instrument but all of which together shall constitute one and the same instrument, and shall be binding upon and inure to the benefit of the parties, and each of their respective heirs, executors, administrators, successors and assigns and is executed by the parties as of the date set forth above.

20. SEVERABILITY

If any part of this Agreement is found to be in conflict with applicable laws, such part shall be inoperative, null and void insofar as it conflicts with such laws; however,



the remainder of this Agreement shall be in full force and effect.

IT IS WITNESSED WHEREBY the undersigned parties have caused this Agreement to be executed by a duly authorized representative on the day and year first above written.

GUDERMAN ENERGY, INC.

By: Robert McCann

Robert McCann, President

Attest:

Secretary

WELD COUNTY LAND INVESTORS, INC.

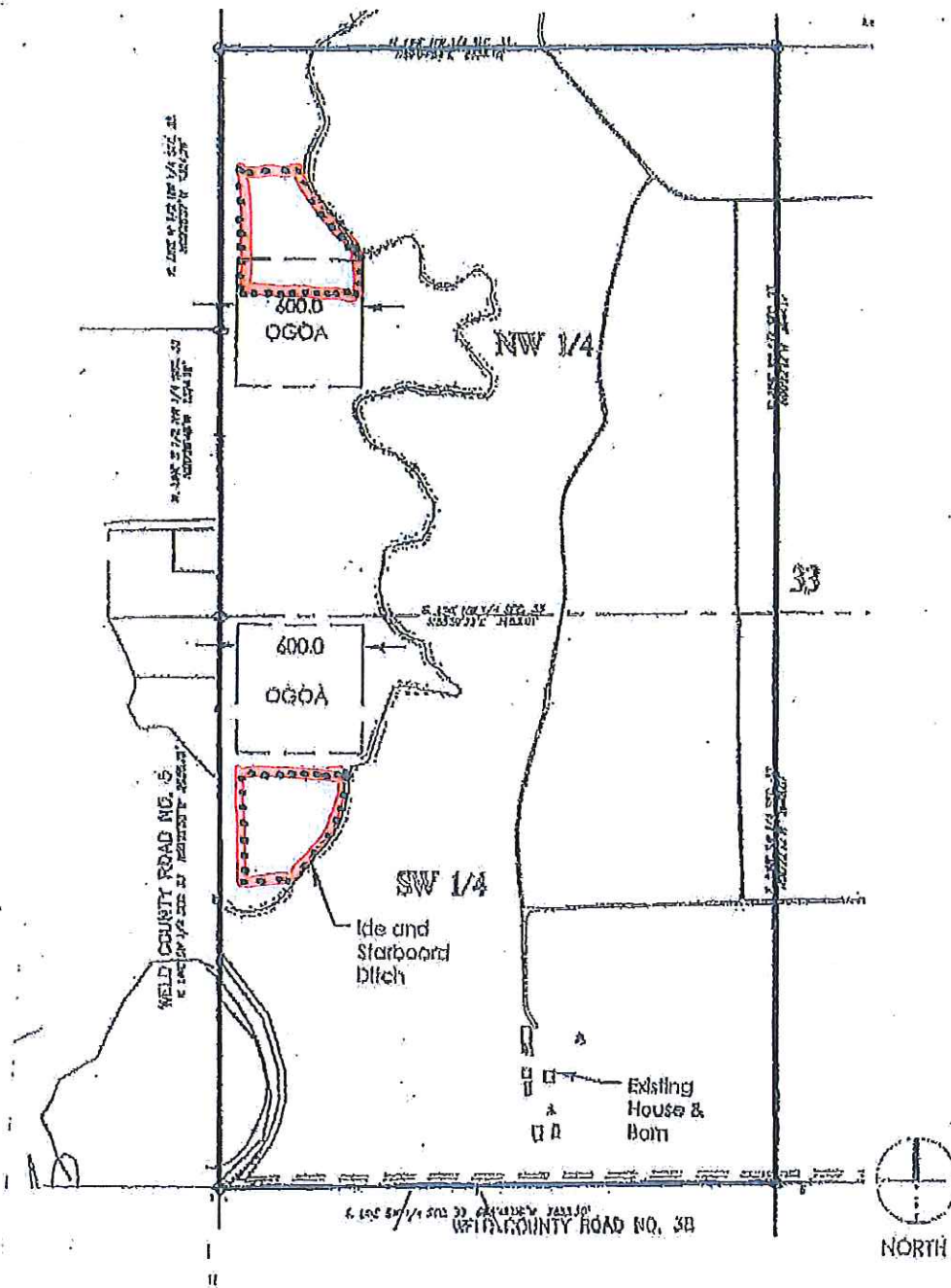
By: Glenn G. Johnson

Glenn G. Johnson, President

Attest:

Glenn G. Johnson
Glenn G. Johnson, Secretary

EXHIBIT A



AMENDMENT AND RATIFICATION OF SURFACE USE AGREEMENT

This Amendment to Surface Use Agreement is made by and between Weld County Land Investors, Inc. (hereinafter "Surface Owner"), and Gulfstar Energy Corporation.

Reference is made to that certain Surface Use Agreement, dated August 5, 2011 (hereinafter "SUA"), signed by Surface Owner and Gulfstar Energy, Inc., and with a Memorandum of Agreement as to said SUA being recorded at Reception No. 3794449 on September 23, 2011 in the records of Weld County, Colorado. Said SUA pertained to the following described lands in Weld County, Colorado:

Township 4 North, Range 68 West, 6th P.M.
Section 33: West 1/2

Whereas, the SUA cited the Operator as Gulfstar Energy, Inc., and the parties desire to correct and amend the Operator name to be Gulfstar Energy Corporation; and the parties also desire to modify the location of the SUA "Oil and Gas Operations Area"

Therefore, for good and valuable consideration, the receipt and sufficiency of which is acknowledged by the parties, Surface Owner and Gulfstar Energy Corporation agree the provisions of the SUA be and are hereby amended as follows:

The named Operator, Gulfstar Energy, Inc., is amended to be Gulfstar Energy Corporation.

The original "Oil and Gas Operations Area" Exhibit A to the SUA is amended to now be those areas marked in red on the Exhibit A attached hereto and incorporated herein for all purposes,

Surface Owner and Gulfstar Energy Corporation hereby ratify and affirm the SUA and acknowledge its full force and effect in accordance with its terms, subject only to the amendments set forth above.

This instrument may be executed in counterpart.

The parties acknowledge and agree facsimile signatories shall be valid.

This instrument shall be binding the parties hereto, their successors and assigns.

IN WITNESS WHEREOF, this instrument is executed as of the date below, but to be effective August 5, 2011.

Weld County Land Investors, Inc.

Gulfstar Energy Corporation

By: 

Giacomo Galatròssa
President

By: 

Donald L. Walford
Chief Executive Officer

Dated: _____

Dated: 2-7-11

EXHIBIT A

