

Well Names: Alicia 12-15H-1, Alicia12-15H-2, Alicia 12-15H-3, Alicia 12-15H-4, Alicia 12-15H-5, Alicia 12-15H-6

### SURFACE USE AND ROAD ACCESS AGREEMENT

This agreement, made and entered this 15<sup>th</sup> day of May, 2013, by and between Luke Michael Beard and Patricia Beard, whose address is 15275 Colorado Blvd., Brighton, CO 80602, hereinafter referred to as "Owner", and Pico Finisterre II, LLC, whose address is 7979 Ivanhoe Ave, Ste 300, La Jolla, CA 92037, hereinafter referred to as "Operator", collectively referred to herein as the "Parties".

#### WITNESSETH:

For and in consideration of the covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Operator intends to drill, or cause to be drilled, up to six oil and/or gas wells ("Wells"), legal locations on the following described lands ("Lands"), including, but not limited to:

**Alicia 12-15H-1 well**  
SWSE Sec. 12 T1S R68W, 6<sup>th</sup> P.M.  
Adams County, CO

**Alicia 12-15H-2 well**  
SWSE Sec. 12 T1S R68W, 6<sup>th</sup> P.M.  
Adams County, CO

**Alicia 12-15H-3 well**  
SWSE Sec. 12 T1S R68W, 6<sup>th</sup> P.M.  
Adams County, CO

**Alicia 12-15H-4 well**  
SWSE Sec. 12 T1S R68W, 6<sup>th</sup> P.M.  
Adams County, CO

**Alicia 12-15H-5 well**  
SWSE Sec. 12 T1S R68W, 6<sup>th</sup> P.M.  
Adams County, CO

**Alicia 12-15H-6 well**  
SWSE Sec. 12 T1S R68W, 6<sup>th</sup> P.M.  
Adams County, CO

2. No tank battery is to be constructed on Owner's land. Access to tank battery shall use well access road.
3. In order for Operator to drill, construct, complete, produce, maintain and operate the Wells and all associated pipelines, power lines, tank battery and other facilities or property of Operator associated with said Wells, it is necessary that Operator enter and utilize the Lands. [REDACTED]
4. [REDACTED] Operator may drill up to 6 wells. Owner hereby acknowledges that the Amount represents full, final and agreed-upon total compensation for all damages caused or created by reason of the reasonable and customary ingress, egress, rights-of-way, drilling, completion, production and maintenance operations and well location, except as defined below. [REDACTED]

- 5.
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- 17.

18. Notice by either party shall be promptly given, orally if possible, and immediately mailed to:

**Owner**

Luke Michael Beard & Patricia Beard  
15275 Colo. Blvd.  
Brighton, CO 80602

**Operator**

Pico Finisterre II, LLC  
7979 Ivanhoe Ave, Ste 300  
La Jolla, CA 92037  
619-988-0828

This CONFIDENTIAL agreement shall be binding on and inure to the benefit of the Parties, their respective heirs, successors, personal representatives, agents, tenants, purchasers and assigns. Terms of this agreement may not be disclosed to other parties.

Operator may assign this agreement and the terms, conditions, rights and obligations herein to another person or entity without Owner's approval.

IN WITNESS WHEREOF, the parties hereto set their hands, the day and year first above-written.

Owner:

  
\_\_\_\_\_  
Luke Michael Beard

  
\_\_\_\_\_  
Patricia Beard

Pico Finisterre II, LLC

  
\_\_\_\_\_  
By: Max Webb

Chief Financial Officer