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MEMORANDUM OF OIL AND GAS LEASE

This Memorandum of Oil and Gas Lease is executed effective as of July 12, 2007 by and between SK Holdings LLC ("SK Holdings") and Steven Keinath with an address of 215 West 24th Street, Rifle, Colorado, 81650-3235, as Lessor, and Williams Production RMT Company ("Williams"), a Delaware corporation, with an address of 1515 Arapahoe Street, Tower 3, Suite 1000, Denver, Colorado 80202, as Lessee

By Oil and Gas Lease dated July 12, 2007 (the "Lease"), SK Holdings and Steven Keinath grants, demises, leases and lets, subject to all of the terms and conditions of the Lease, unto Williams all of SK Holdings' and Steven Keinath's right, title and interest in the lands described in Exhibit A, including all accretions to the lands described on Exhibit A, streams and lakes on, traversing or adjoining the lands described on Exhibit "A", and which are owned or claimed by SK Holdings and Steven Keinath ("the Lands") for the purposes of mining, exploring by geophysical and others methods, drilling, operating for, producing and saving, all oil and gas (including coalbed gas)

The term of the Lease is three (3) years from July 12, 2007 (the "Primary Term") and as long thereafter as oil or gas of whatsoever nature or kind is produced in paying quantities from the Lands or on acreage pooled therewith, drilling operations or any operations permitted under the Lease is being conducted on the Lands, there is a shut-in well that is capable of producing gas in paying quantities on the Leased Premises or lands pooled therewith subject to the limitations of the Lease, or the Lease is continued in effect by reason of force majeure or any other provision of the lease

Executed copies of the Lease are in the possession of SK Holdings and Steven Keinath and Williams

This Memorandum of Lease may be executed in any number of counterparts with the same force and legal effects as if all executions were one single instrument

Executed on the dates of the acknowledgments of the parties, to be effective as of July 12, 2007

LESSORS:

SK HOLDINGS LLC

STEVEN KEINATH

By Robert W. Struwe
Robert W. Struwe

By Steven Keinath
Steven Keinath

LESSEE

WILLIAMS PRODUCTION RMT
COMPANY

By Joseph P. Barrett
Joseph P. Barrett
Attorney-in-Fact

RETURN TO CHRIS WALSH
WILLIAMS PRODUCTION RMT CO
1515 ARAPAHOE ST, TOWER 3 #1000
DENVER CO 80202

ACKNOWLEDGEMENTS

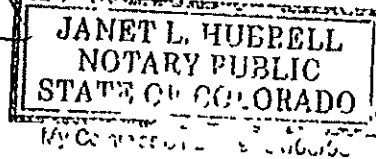
State of Colorado)
) ss
County of GARFIELD)

The foregoing instrument was acknowledged before me this 12 day of
July, 2007, by Robert W. Struwe as Manager of SK
Holdings LLC, a limited liability company

Witness my hand and official seal

My Commission expires _____

Notary



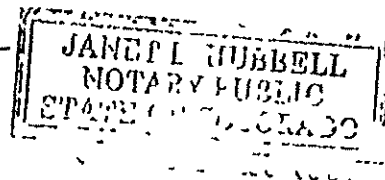
State of Colorado)
) ss
County of GARFIELD)

The foregoing instrument was acknowledged before me this 12 day of
July, 2007, by Steven Kernath

Witness my hand and official seal

My Commission expires _____

Notary



State of Colorado)
) ss
County of Denver)

The foregoing instrument was acknowledged before me this 12 day of
July, 2007, by Joseph P Barrett, as Attorney-in-Fact for Williams
Production RMT Company, a Delaware corporation

Witness my hand and official seal

My Commission expires 5/21/2011

Notary

Patti E. Rives

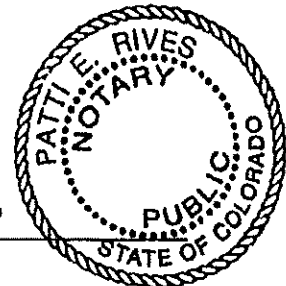


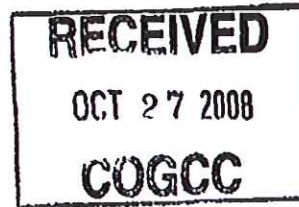
EXHIBIT A

Attached to and made a part of that certain Memorandum of Oil and Gas Lease dated July 12, 2007 by and between SK Holdings LLC and Steven Keinath, as Lessor, and Williams Production RMT Company, as Lessee

DESCRIPTION OF LANDS

TRACT I

Township 7 South, Range 96 West, 6th P M



Section 32 That part of the following described tract of land that lies within the W/2NE/4 and the NW/4SE/4 of Section 32 containing 95 87 acres, more or less

A tract or parcel of land No 810-RA of the State Department of Highways, Division of Highways, State of Colorado, Project No 1 70-1(45) Section 8 in the NW/4SE/4 and the NE/4 of Section 32, Township 7 South, Range 96 West, 6th P M , in Garfield County, Colorado, said tract or parcel of land being more particularly described as follows

Beginning at a point which is the intersection of the north-south midsection line Section 32, Township 7 South, Range 96 West, 6th P M , and the northerly right of way line of State Highway No 70 (October, 1984) from which the North 1/4 Corner of said Section 32, a brass cap, bears North 0°54'30" West a distance of 3472 20 feet, thence North 66°25'00" East along the said right of way line, a distance of 46 30 feet, thence North 63°57'30" East continuing along said right of way line, a distance of 579 90 feet, thence continuing along said right of way along the arc of a curve to the left having a radius of 2141 80 feet, a distance of 457 30 feet (the chord of this arc bears North 52°48'00" East a distance of 456 40 feet), thence North 41°38'30" East continuing along said right of way line a distance of 579 90 feet, thence North 39°11'00" East continuing along said right of way line a distance of 374 80 feet, thence North 40°42'00" East continuing along said right of way line, a distance of 611 60 feet, thence continuing along said right of way line along the arc of a curve to the right having a radius of 3969 70 feet, a distance of 932 60 feet (the chord of this arc bears North 50°25'00" East a distance of 930 40 feet) to the section line common to Section 32 and Section 33 of said Township, thence North 0°25'00" West along said section line a distance of 1230 80 feet to the Section Corner common to Sections 28, 29, 32 and 33 of said Township, a brass cap monument, thence South 88°08'00" West along the northerly line of Section 32, a distance of 2712 70 feet to the said North 1/4 Corner, thence South 0°54'30" West along the north-south midsection line, a distance of 3472 20 feet, more or less to the Point Of Beginning, said parcel of land containing 151 61 acres, more or less

Garfield County, Colorado

Acreage 95 81, more or less (SK Holdings LLC minerals)

Township 7 South, Range 96 West, 6th P M

Section 32 All that portion of the SE/4NW/4 and the E/2SW/4 of Section 32 lying northerly of the northerly right-of-way of Interstate Highway 70, said portion of the SE/4NW/4 and the E/2SW/4 of Section 32 contained with the following description

A parcel of land situate within a portion of Section 32, Township 7 South, Range 96 West, 6th P M , being all that part of the SW/4SW/4, the SE/4SW/4, the NE/4SW/4, and the SE/4NW/4 lying northerly of Interstate Highway 70, being more particularly described as follows

Beginning at the Northwest Corner of said SW/4SW/4 thence along the northerly line of said SW/4SW/4 North 88°48'00" East 1326 60 feet to the Southwest Corner of said NE/4SW/4, thence along the westerly line North 00°43'00" West 1322 64 feet to the Southwest Corner of the SE/4NW/4, thence along the westerly line North 00°41'00" West 1285 02 feet to the Northwest Corner of said SE/4NW/4, thence along the northerly line of said SE/4NW/4 North 87°29'00" East 1316 04 feet to the Northeast Corner of the SE/4NW/4, thence along the easterly line South 00°56'14" East 1313 40 feet to the Northeast Corner of the NE/4SW/4, thence along the easterly line South 00°58'01" East 846 86 feet to the northerly right-of-way of Interstate Highway 70, thence along said northerly right-of-way following three (3) courses South 66°25'00" West 1977 90 feet, thence South 84°51'00" West 316 20 feet, thence South 60°04'30" West 591 50 feet to the westerly line of the SW/4SW/4, thence along said line North 00°27'52" West 581 74 feet to the point of beginning

Garfield County, Colorado

Acreage 73 92, more or less (Steven Keimath minerals)

Township 7 South, Range 96 West, 6th P M

Section 33 That part of the following described tract of land that lies within the NW/4NW/4 of Section 33 containing 27 51 acres, more or less

A tract or parcel of land No 810-RB of the State Department of Highways, Division of Highways, State of Colorado, Project No 1 70-1(45) Section 8 in the NW/4NW/4 and the NE/4NW/4, Section 33, Township 7 South, Range 96 West, 6th P M, in Garfield County, Colorado, said tract or parcel of land being more particularly described as follows

Beginning at a point which is the intersection of the northerly right of way line of State Highway No 70 (October 1984) and the Section line common to Sections 33 and 28, Township 7 South, Range 96 West, 6th P M from which the section corner common to Sections 28, 29, 32, and 33, of said Township, a brass cap, bears South 85°13'30" West a distance of 1982 40 feet, thence South 85°13'30" West along said Section line, a distance of 1982 40 feet to the said section corner; thence South 0°25'00" East along the section line common to said Sections 32 and 33, a distance of 1230 80 feet to the said northerly right of way line, thence along said northerly right of way line along the arc of a curve to the right having a radius of 3969 70 feet, a distance of 5 10 feet (the chord of this arc bears North 57°11'00" East a distance of 5 10 feet), thence North 60°12'00" East continuing along said right of way line, a distance of 611 60 feet, thence North 61°43'00" East continuing along said right of way line, a distance of 438 30 feet, thence North 57°08'00" East continuing along said right of way line a distance of 904 10 feet, thence North 36°13'30" East continuing along said right of way line, a distance of 484 30 feet

Garfield County, Colorado

Acreage 27 51, more or less (SK Holdings LLC minerals)

Total Acres Tract I 197 37 acres

TRACT II

Township 7 South, Range 96 West, 6th P M

Section 28 That certain tract of land lying within the SE/4SW/4 and the SW/4SE/4 of Section 28 containing 36 44 acres, and more particularly described below

A tract or parcel of land no 810-RC of the State Department of Highways, Division of Highways, State of Colorado Project No 70-1(45) Section 8, in the SE/4SW/4, and the SW/4SE/4, of

Section 28, Township 7 South, Range 96 West, 6th P M , in Garfield County, Colorado, said tract or parcel of land being more particularly described as follows

Beginning at a point which is the intersection of the northerly right of way line of State Highway No 70 (October, 1984) and the Section line common to Sections 33 and 28, Township 7 South, Range 96 West, 6th P M from which the section corner common to Sections 28, 29, 32, and 33 of said Township, a brass cap, bears South 85°13'30" West a distance of 1982 40 feet, thence North 36°13'30" East along the said right of way line, a distance of 75 00 feet, thence North 66°03'00" East continuing along said right of way line, a distance of 727 40 feet, thence North 34°29'30" West a distance of 88 00 feet to the North-South midsection line of Section 28, thence North along said midsection line, a distance of 897 60 feet to the northeast corner of the SE/4SW/4 of Section 28, thence South 86°17'30" West along the north line of the said SE/4SW/4, a distance of 1320 20 feet to the Northwest corner of the SE/4SW/4, thence South along the West line of the said SE/4SW/4, a distance of 1295 40 feet, to the section line common to Sections 28 and 33, thence North 85°13'30" East along said section line a distance of 660 40 feet more or less, to the Point Of Beginning, said parcel of land containing 36 44 acres, more or less

Section 33 That part of the following described tract of land that lies within the NE/4NW/4 of Section 33 containing 5 23 acres, more or less

A tract or parcel of land No 810-RB of the State Department of Highways, Division of Highways, State of Colorado, Project No 1 70-l(45) Section 8 in the NW/4NW/4 and the NE/4NW/4, Section 33, Township 7 South, Range 96 West, 6th P M in Garfield County, Colorado, said tract or parcel of land being more particularly described as follows

Beginning at a point which is the intersection of the northerly right of way line of State Highway No 70 (October 1984) and the Section line common to Sections 33 and 28, Township 7 South, Range 96 West, 6th P M from which the section corner common to Sections 28, 29, 32, and 33, of said Township, a brass cap, bears South 85°13'30" West a distance of 1982 40 feet, thence South 85°13'30" West along said Section line, a distance of 1982 40 feet to the said section corner, thence South 0°25'00" East along the section line common to said Sections 32 and 33, a distance of 1230 80 feet to the said northerly right of way line, thence along said northerly right of way line along the arc of a curve to the right having a radius of 3969 70 feet, a distance of 5 10 feet (the chord of this arc bears North 57°11'00" East a distance of 5 10 feet), thence North 60°12'00" East continuing along said right of way line, a distance of 611 60 feet, thence North 61°43'00" East continuing along said right of way line, a distance of 438 30 feet, thence North 57°08'00" East continuing along said right of way line, a distance of 904 10 feet, thence North 36°13'30" East continuing along said right of way line, a distance of 484 30 feet

Garfield County, Colorado

Acreage 41 67, more or less (SK Holdings LLC minerals)

Township 7 South, Range 96 West, 6th P M

Section 32 That part of the following described tract of land that lies within the E/2NE/4 of Section 32 containing 55 86 acres, more or less

A tract or parcel of land No 810-RA of the State Department of Highways, Division of Highways, State of Colorado, Project No 1 70-l(45) Section 8 in the NW/4SE/4 and the NE/4 of Section 32, Township 7 South, Range 96 West, 6th P M , in Garfield County, Colorado, said tract or parcel of land being more particularly described as follows



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Beginning at a point which is the intersection of the north-south midsection line Section 32, Township 7 South, Range 96 West, 6th P M, and the northerly right of way line of State Highway No 70 (October, 1984) from which the North 1/4 Corner of said Section 32, a brass cap, bears North 0°54'30" West a distance of 3472.20 feet, thence North 66°25'00" East along the said right of way line, a distance of 46.30 feet, thence North 63°57'30" East continuing along said right of way line, a distance of 579.90 feet, thence continuing along said right of way along the arc of a curve to the left having a radius of 2141.80 feet, a distance of 457.30 feet (the chord of this arc bears North 52°48'00" East a distance of 456.40 feet), thence North 41°38'30" East continuing along said right of way line a distance of 579.90 feet, thence North 39°11'00" East continuing along said right of way line a distance of 374.80 feet, thence North 40°42'00" East continuing along said right of way line, a distance of 611.60 feet, thence continuing along said right of way line along the arc of a curve to the right having a radius of 3969.70 feet, a distance of 932.60 feet (the chord of this arc bears North 50°25'00" East a distance of 930.40 feet) to the section line common to Section 32 and Section 33 of said Township, thence North 0°25'00" West along said section line a distance of 1230.80 feet to the Section Corner common to Sections 28, 29, 32 and 33 of said Township, a brass cap monument; thence South 88°08'00" West along the northerly line of Section 32, a distance of 2712.70 feet to the said North 1/4 Corner, thence South 0°54'30" West along the north-south midsection line, a distance of 3472.20 feet, more or less to the Point Of Beginning, said parcel of land containing 151.61 acres, more or less

Garfield County, Colorado

Acreage 55.86, more or less (SK Holdings LLC minerals)

Township 7 South, Range 96 West, 6th P M

Section 32 All that portion of the SW/4SW/4 of Section 32 lying northerly of the northerly right-of-way of Interstate Highway 70, said portion of the SW/4SW/4 of Section 32 contained within the following description

A parcel of land situate within a portion of Section 32, Township 7 South, Range 96 West, 6th P.M., being all that part of the SW/4SW/4, the SE/4SW/4, the NE/4SW/4, and the SE/4NW/4 lying northerly of Interstate Highway 70, being more particularly described as follows

Beginning at the Northwest Corner of said SW/4SW/4 thence along the northerly line of said SW/4SW/4 North 88°48'00" East 1326.60 feet to the Southwest Corner of said NE/4SW/4, thence along the westerly line North 00°43'00" West 1322.64 feet to the Southwest Corner of the SE/4NW/4, thence along the westerly line North 00°41'00" West 1285.02 feet to the Northwest Corner of said SE/4NW/4, thence along the northerly line of said SE/4NW/4 North 87°29'00" East 1316.04 feet to the Northeast Corner of the SE/4NW/4; thence along the easterly line South 00°56'14" East 1313.40 feet to the Northeast Corner of the NE/4SW/4, thence along the easterly line South 00°58'01" East 846.86 feet to the northerly right-of-way of Interstate Highway 70, thence along said northerly right-of-way following three (3) courses South 66°25'00" West 1977.90 feet, thence South 84°51'00" West 316.20 feet, thence South 60°04'30" West 591.50 feet to the westerly line of the SW/4SW/4, thence along said line North 00°27'52" West 581.74 feet to the point of beginning

Garfield County, Colorado

Acreage 9.25, more or less (Steven Kemath minerals)

Township 7 South, Range 96 West, 6th P M



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Section 31 All that portion of the SE/4SE/4 of Section 31 lying northerly of the northerly right-of-way of Interstate Highway 70, said portion of the SE/4SE/4 of Section 31 contained within the following description

A parcel of land being Government Lot 2, the SE/4SW/4 and a portion of the S/2SE/4 of Section 31, Township 7 South, Range 96 West, 6th P M lying northerly of Interstate Highway 70, being more particularly described as follows

Beginning at the Southwest Corner of said Section 31, being the Southwest Corner of Government Lot 2, thence along the westerly line of said Lot North 00°51'00" West 1320 00 feet, thence along the northerly line of said Government Lot 2, the northerly line of said SE/4SW/4 and the northerly line of said S/2SE/4 North 88°52'13" East 4747 00 feet to the easterly line of said Section 31, thence along the easterly line of said Section 31 South 00°27'52" East 581 74 feet to the northerly right-of-way of Interstate Highway 70, thence along said northerly right-of-way the following three (3) courses South 60°04'30" West 314 00 feet, thence South 66°25'00" West 1190 40 feet, thence South 64°54'00" West 325 86 feet to the southerly line of said Section 31, thence along said southerly line South 88°52'14" East 3076 60 feet to the point of beginning

Garfield County, Colorado

Acreage 27 14, more or less (Steven Keinath minerals)

Total Acres Tract II 133.92 Acres

Total Acres Tracts I & II 331 29 acres