

SURFACE USE AGREEMENT

THIS SURFACE USE AGREEMENT ("Agreement") is effective the 13th day of May, 2014 ("Effective Date"), between B & V Developers, LLLP, a Colorado limited liability limited partnership, whose address is 0259 County Road 320, Rifle, Colorado 81650 ("Owner"), and Ursa Operating Company LLC, a Delaware limited liability company, whose address is 1050 17th Street, Suite 2400, Denver, Colorado 80265 ("Operator").

RECITALS

A. Owner owns the surface of the real property in Garfield County, Colorado (the "Property"), legally described in the attached and incorporated Exhibit A, containing 96.65 acres, more or less.

B. Operator is the successor lessee in an oil and gas lease entered into with Owner on May 21, 2007 ("Lease") granting Operator certain rights to the minerals underlying the Property described in the Lease.

C. Operator wishes to drill multiple oil and gas Wells (defined below) on the Property for the extraction of the minerals described in the Lease.

D. Owner desires to have Operator drill Wells within an area comprising the South one-half of Section 7 of Township 7 South, Range 95 West, where Owner also owns minerals.

E. Owner and Operator wish to memorialize their agreement concerning the payment for damages to the surface of the Property in connection with the drilling, construction, completion, re-completion, reworking, re-entry, production, maintenance and operation of the Well(s), and for the construction, maintenance and use of any road or pipeline located on the Property.

THEREFORE, in consideration of the mutual covenants in this Agreement, and Operator's agreement to pay the damages described in this Agreement, the parties agree as follows:

TERMS

1. Wells and Well Pad.

1.1. Well Pad Site. Operator may construct one well site pad for drilling, completion (including use of the surface for equipment relating to fracture stimulation operations), re-completion, reworking, re-entry, production, maintenance and operation of Wells (the "Well Pad") on the Property at the location depicted on the map attached to this Agreement as Exhibit B. The Well Pad shall not exceed three (3) acres of disturbed area (including any cuts and fills) during drilling and completion operations, or two (2) acres of disturbed area (including any cuts and fills) after initial reclamation. As used in

this Agreement, "Well" shall mean a well and the accompanying wellbore (either vertically or directionally drilled from the Well Pad) for the production of oil and gas, and all associated casing and wellhead equipment.

REDACTED FOR PERMITTING

OWNER:

B & V DEVELOPERS, LLLP



Ted L. Vaughan,
Managing Partner

OPERATOR:

URSA OPERATING COMPANY LLC



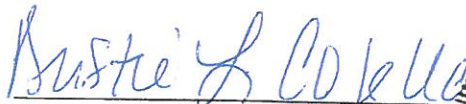
Don Simpson,
Vice President of Land

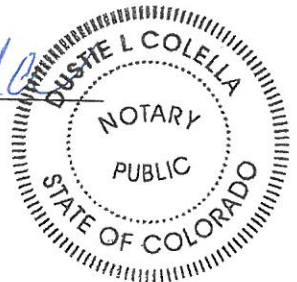
STATE OF COLORADO)
) ss
COUNTY OF GARFIELD)

The foregoing instrument was subscribed and sworn to before me on May 13,
2014 by Ted Vaughan, Managing Partner of B & V Developers, LLLP.

My commission expires: 11/4/2015

Witness my hand and seal.


Notary Public




STATE OF Colorado)
) ss
COUNTY OF Garfield)

The foregoing instrument was subscribed and sworn to before me on May 13,
2014 by Don Simpson, Vice President of Land of Ursa Operating Company LLC.

My commission expires: 11/4/2015

Witness my hand and seal.


Notary Public

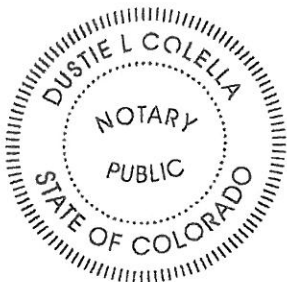


EXHIBIT A

Township 7 South, Range 95 and 96 West, 6th PM, Garfield County, Colorado
More particularly described as follows:

Lots 1(2.87ac) and 2(2.61ac)

Section A

Spring Lake Estates

According to the Plat thereof recorded December 16, 1980 as Reception No. 310277.
Town of Parachute.

Lot 1-A (formerly described as Lot 1 before re-subdivision) (3.281ac)

Section C

Less and except that portion conveyed in a Deed recorded November 3, 1981 in Book 585 in book 585 at page 10 as reception number 3209999 and in deed recorded December 16, 1992 in book 849 at page 974 as reception number 442228.

Spring Lake Estates

According to the Plat thereof recorded December 16, 1980 as Reception No. 310277.
Town of Parachute.

Lots 1(3.10ac), 2(2.83ac) and 3(2.81ac)

Section D

Spring Lake Estates

According to the Plat thereof recorded December 16, 1980 as Reception No. 310277.
Town of Parachute.

Lot 2-A (10.395ac)

Section E

Less and except that portion conveyed in deed recorded June 5, 1998 in Book 1071 at Page 376 as Reception Number 526410.

Spring Lake Estates

According to the Plat thereof recorded December 16, 1980 as Reception No. 310277.
Town of Parachute.

Lot 1(47.02ac)

Section G

Spring Lake Estates

According to the Plat thereof recorded December 16, 1980 as Reception No. 310277.
Town of Parachute.

Lots 2(4.97) and 3(4.73ac)

Section C

Spring Lake Estates

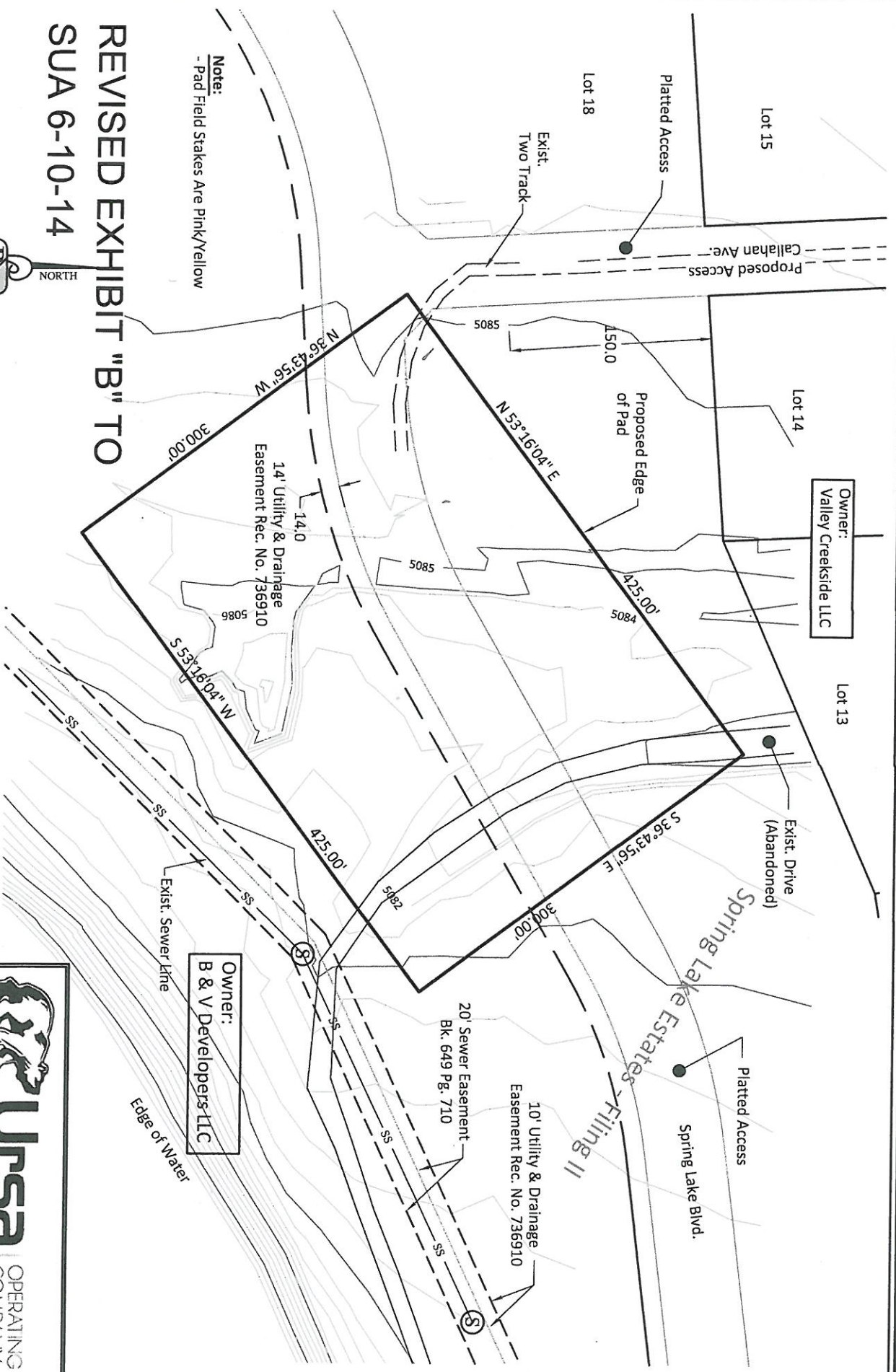
According to the Plat recorded February 3, 1982 as Reception No. 324392.
Town of Parachute.

Lot 1(6.053)

Section B

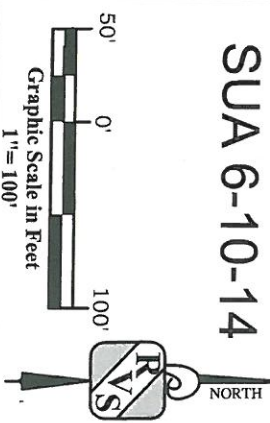
Spring Lake Estates

According to the Plat recorded December 13, 2004 as Reception No. 646635.
Town of Parachute.



Note:
- Pad Field Stakes Are Pink/Yellow

REVISED EXHIBIT "B" TO SUA 6-10-14



River Valley Survey, Inc.
110 East 3rd Street, Suite 213
Rifle, Colorado 81650
Ph: 970-379-7846

Project: RVS 06001-57	
Field Date: 05-24-14	Scale: 1" = 100'
Date: 06-10-14	Sheet: 1 of 1



Ursa OPERATING COMPANY

Approved Pad Position

B & V Pad
Section 7, Township 7 South,
Range 95 West of the 6th P.M.