

## MEMORANDUM OF SURFACE USE AGREEMENT

THIS MEMORANDUM OF SURFACE USE AGREEMENT, is made this **1st** day of **October, 2014**, and provides notice of a Surface Use Agreement, as may be amended, ("Agreement") dated **May 1, 2014**, by and between **CFG Exempt Trust, fbo C. Andrew Gaede**, whose address is **56090 State Route 71, Limon, Colorado 80828** ("Owner") and **CASCADE PETROLEUM LLC**, whose address is **1331 Seventeenth Street, Suite 400, Denver, CO 80202** ("Company").

Under the provisions of the Agreement, subject to any amendments thereof, Owner has granted to Company the right the right of access on and across the Lands and the right to use the surface and subsurface to explore, develop, produce, transport, and market oil, gas, and associated hydrocarbons from the following described lands (the "Lands") located in Lincoln County, Colorado:

### Township 8 South, Range 55 West, 6th P.M.

**Section 31:** ALL

**Section 32:** S2

### Township 8 South, Range 56 West, 6<sup>th</sup> P.M.

**Section 14:** Beginning at the Southwest corner of said Section 14; Thence N 00° 17' 17" E, a distance of 2259.69 feet; Thence S 69° 41' 36" E, a distance of 154.86 feet; Thence S 00° 12' 09" E, a distance of 128.78 feet; Thence S 25° 58' 33" E, a distance of 2121.26 feet; Thence S 00° 09' 23" W, a distance of 118.79 feet; Thence S 89° 41' 49" E, a distance of 144.06 feet; Thence S 15° 34' 26" E, a distance of 57.34 feet; Thence N 89° 47' 14" W, a distance of 1245.27 feet to the point of beginning, said parcel containing 31.97 acres, more or less.

**Section 15:** S2, and a tract beginning at the Southeast corner of said Section 15; Thence N 00° 50' 18" E along the West line of said Section 15, a distance of 4374.81 feet; Thence S 62° 22' 42" E, a distance of 3368.27 feet; Thence S 69° 41' 36" E, a distance of 2431.15 feet to a point on the East line of said Section 15; Thence S 00° 17' 17" W along the East line of said Section 15, a distance of 2259.69 feet to the southeast corner of said Section 15; Thence S 89° 12' 50" W along the South line of said Section 15, a distance of 5313.18 feet to the point of beginning, said parcel containing 413.34 acres, more or less.

**Section 23:** Beginning at the Northwest corner of said Section 23; Thence S 89° 47' 14" E along the North line of Section 23, a distance of 1245.27 feet; Thence S 15° 34' 26" E, a distance of 2046.28 feet; Thence S 56° 34' 29" E, a distance of 4189.31 feet to a point on the East line of said Section 23; Thence S 00° 23' 28" E along the East line of said Section 23, a distance of 966.35 feet to the Southeast corner of said Section 23; Thence S 89° 52' 47" W along the South line of said Section 23, a distance of 5226.97 feet to the Southwest corner of said Section 23; Thence N 00° 29' 13" W along the West line of said Section 23, a distance of 5260.97 feet to the point of beginning, said parcel containing 371.96 acres, more or less.

**Section 25:** Beginning at the Southwest corner of said Section 25; Thence S 89° 54' 18" W along the South line of said Section 25, a distance of 1343.96 feet; Thence N 11° 47' 27" W, a distance of 361.02 feet; Thence N 53° 37' 02" W, a distance of 1133.07 feet; Thence N 35° 57' 39" W, a distance of 2023.72 feet to a point on the North line of the South 1/2 of Section 25, a distance of 3499.57 feet to the East 1/4 corner of said Section 25; Thence S 00° 11' 51" E along the East line of said Section 25, a distance of 2690.30 feet to the point of beginning, said parcel containing 150.93 acres, more or less.

**Section 28:** N2, SW, W2SE

### Township 9 South, Range 55 West, 6<sup>th</sup> P.M.

**Section 3:** ALL

**Section 5:** ALL

**Section 6:** A portion of the E2, beginning at the Northeast corner of said Section 6; Thence S 89° 50' 05" W along the North line of said Section 6, a distance of 2640.50 feet to the North 1/4 corner of said Section 6; Thence S 00° 39' 11" E along the West line of the East 1/2 of Section 6, a distance of 1851.21 feet; Thence S 74° 38' 23" E, distance of

1825.55 feet; Thence S 00° 34' 56" W, a distance of 131.32 feet; Thence N 89° 57' 40" E, a distance of 476.60 feet; Thence S 06° 32' 43" E, a distance of 130.89 feet; Thence S 39° 58' 46" E, a distance of 154.34 feet; Thence S 01° 49' 15" W, a distance of 134.82 feet; Thence S 89° 36' 33" E, a distance of 306.86 feet to a point on the East line of said Section 6; Thence N 00° 37' 14" W along the East line of said Section 6, a distance of 2858.05 feet to the point of beginning, said parcel containing 137.75 acres, more or less.

**Section 7:** NW, E2

**Section 8:** ALL

**Township 9 South, Range 56 West, 6<sup>th</sup> P.M.**

**Section 6:** SW, S2NW, NENW

Among other provisions, the Agreement grants Company the right to construct or install well pads, oil and gas flow lines, pipelines, gathering lines, telecommunication lines, electric lines, water lines, roads, compressors, processing facilities, tank batteries and injection or water disposal wells on the Lands, all of which may be utilized in connection with Company's operations on the Lands, as well as operations on other lands in which Company owns an oil and gas leasehold interest, all subject to the conditions and terms of the Agreement as amended.

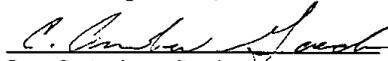
The Agreement shall continue in full force and effect until Company's leasehold estate covering the Lands (or other lands, to the extent the Lands are used in connection with Company's operations on such other lands) expires or terminates, Company ceases operations on the Lands (or other lands, to the extent the Lands are used in connection with Company's operations on such other lands) under the terms of the Agreement, or Company has plugged and abandoned any wells and conducted all required reclamation, whichever is later. Upon expiration or termination of the Agreement, Company agrees to place a release of the Agreement of public record in the Lincoln County, Colorado Clerk and Recorder office.

This Memorandum is executed by Owner and Company and recorded in Lincoln County, Colorado to serve as notice of the existence of the Agreement. The parties acknowledge they are bound by all the terms and conditions of the Agreement and that the Agreement binds and inures to the benefit of Owner and Company and their respective heirs, personal representatives, successors and assigns.

Owner is under an obligation to keep the Agreement confidential and not disclose the terms of the Agreement to any third party unless required to do so by law. Notwithstanding the foregoing, Owner shall provide a copy of this Agreement to any potential purchaser or transferee prior to the sale or transfer of all or any portion of the Lands.

**OWNER**

**CFG Exempt Trust, FBO C. Andrew Gaede**

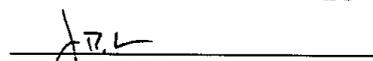


By: C. Andrew Gaede

Its: Trustee

**COMPANY**

**CASCADE PETROLEUM LLC**



By: Jason D. Dean

Its: Vice President Land

ACKNOWLEDGEMENTS

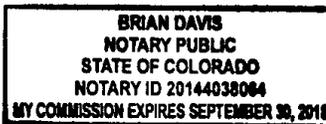
STATE OF COLORADO )  
 ) ss  
COUNTY OF Lincoln )

The foregoing instrument was acknowledged before me this 28<sup>th</sup> day of October, 2014, before me, personally appeared C. Andrew Gaede, acting as Trustee for the CFG Exempt Trust, FBO C. Andrew Gaede, personally known to me to be the person whose name is subscribed to the within instrument.

WITNESS my hand and official seal.

My commission expires:

Sept 30, 2018



Brian Davis  
Notary Public

STATE OF COLORADO )  
 ) ss  
COUNTY OF Denver )

The foregoing instrument was acknowledged before me this 29<sup>th</sup> day of October, 2014, before me, personally appeared Jason D. Dean as VP of land of CASCADE PETROLEUM LLC, a Delaware limited liability company, on behalf of such company.

WITNESS my hand and official seal.

My Commission Expires:

5-17-2017

Ashley Sommer  
Notary Public

