

## OIL AND GAS SUBLEASE

THIS Oil and Gas Sublease (hereinafter called "Sublease") is entered into effective the 30th day of June, 2011, between PRIZE ENERGY RESOURCES, L.P. a Delaware limited partnership, (hereinafter called "Sublessor"), whose address is 1700 Lincoln Street, Suite 1800, Denver, Colorado 80203 (whether one or more) and AUS-TEX EXPLORATION, INC. (hereinafter called "Sublessee"), a Texas Corporation, whose address is 7895 W. 16<sup>th</sup> Avenue, Lakewood, Colorado 80214.

1. Sublessor, for and in consideration of the payment by Sublessee of the sum of One and No/100 Dollar (\$1.00) and other good and valuable consideration, the receipt of which is hereby acknowledged, and of the observance and performance of the covenants, stipulations, conditions and agreements hereafter contained on the part of Sublessee to be paid, kept and performed, has granted, demised, leased and let and does by these presents grant, demise, lease and let unto the said Sublessee for the sole and only purpose of exploring, mining, drilling and operating for the production of oil, gas, casinghead gas and all other gaseous or liquid hydrocarbon substances and all other mineral substances produced in association therewith, including helium and CO<sub>2</sub> (hereinafter sometimes referred to as "leased substances") and laying pipelines, building tanks, power stations and structures thereon to produce, save, take care of, treat and transport all of said products in, on or under certain tracts of land in the County of Fremont, State of Colorado, more particularly described in attached Exhibit "A" ("leased lands") for a primary term of three (3) years from the date of this Sublease and for as long thereafter as any of the leased substances is produced in paying quantities from the leased lands.

Notwithstanding any provision hereof to the contrary, this Sublease does not cover or include coal, uranium, geothermal steam, water (except insofar as required in Sublessee's operations upon the leased lands), potash or other mineral substances except those specifically described in the preceding paragraph.

Sublessee acknowledges that Sublessor is a successor lessee pursuant to that certain Oil and Gas Lease (the "Lease") dated September 15, 1988, by and between Santa Fe Pacific Mining, Inc., as Lessor, and Santa Fe Energy Company, as Lessee, recorded at Book 908, Page 262 of the records of Fremont County, Colorado, covering the leased lands, among other lands, and that the rights of Sublessee under this Sublease are limited by the rights acquired by Sublessor pursuant to the Lease, and nothing contained in this Sublease is intended to imply that Sublessee has any greater or lesser rights than those granted Sublessor in the Lease. Further, Sublessee accepts this Sublease subject to the terms of the Lease and agrees to perform respectively all obligations and liabilities or other acts or actions required of or inuring to Sublessor, as to the Subleased Premises, by, through or under the Lease.

2. The royalties reserved by Sublessor, inclusive of the royalty due to the Lessor under the Lease, and which shall be paid by Sublessee free of cost to Sublessor are:

(i) On oil, including condensate, distillate and all other liquid hydrocarbons, twenty-one percent (21%) of that produced and saved from or attributable to said leased lands, the same to be delivered at the wells or to the credit of Sublessor in the pipelines or tanks to which the wells may be connected. Sublessee may from time to time purchase any royalty oil in its possession, paying the market price therefor prevailing in the field where produced on the date of purchase. Notwithstanding any provision hereof to the contrary, all royalties that are payable solely to Sublessor for oil, including condensate, distillate and all other liquid hydrocarbons, shall be made subject to a proportionate reduction of all transportation or delivery costs incurred by Sublessee in connection with the sale and marketing of such products. All royalties that are payable solely to Lessor for oil, including condensate, distillate and all other liquid hydrocarbons shall not be subject to a proportionate reduction of such transportation or delivery costs incurred by Sublessee;

(ii) On gas, including casinghead gas and all other gaseous or vaporous substances produced from or attributable to said leased lands and sold or used off the said land the market value at the well of twenty-one percent (21%) of the gas so sold or used, provided that when Sublessee shall sell gas at the wells, Sublessor's royalty thereon shall be twenty-one



percent (21%) of the amount realized from such sale. In the event Sublessee shall itself use gas produced from the leased lands in the manufacture of gasoline or other products therefrom, or the residue thereof, the royalty to Sublessor shall be twenty-one percent (21%) of the market value at the well of the gas so used. As used in this paragraph, the term "market value" shall not be less than the maximum lawful price for the gas after giving effect to applicable regulatory orders and/or price adjustments specified in gas purchase agreements and regulatory orders. In the event Sublessee compresses, treats, purifies or dehydrates or transports gas off the leased lands to a point of sale, Sublessee in computing royalty may deduct from the amount otherwise payable to Sublessor reasonable charges for each of the functions performed. Sublessee shall have free use of all leased substances from the lands for its operations on the leased lands without payment of any royalty to Sublessor;

(iii) As royalty on all other leased substances produced and marketed from the leased lands twenty-one percent (21%) of the proceeds received by Sublessee from the sale thereof after deducting the processing costs;

(iv) The royalty provided in this Sublease Agreement shall be inclusive of all lease royalties due the original Lessor under the Lease and all other burdens of record as of the effective date of this Sublease.

(v) At any time when this sublease is not validated by other provisions hereof and there is a gas and/or condensate well on said land, or land pooled therewith, but gas and/or condensate is not being so sold or used and such well is shut-in, either before or after production there from then on or before ninety (90) days after said well is shut-in, and thereafter at annual intervals, Sublessee may pay or tender an advance shut-in royalty in the amount of five dollars (\$5.00) per acre, and so long as said shut-in royalty is paid or tendered this Sublease shall not terminate and it will be considered under all clauses hereof that gas is being produced from the leased lands in paying quantities. The payment or tender of shut-in royalty may be made by check to Prize Energy Resources, L.P., c/o Cimarex Energy Co., Lock Box 774031, 4031 Solutions Center, Chicago, IL 60677-4000, on or before the due date. Any timely payment or tender of shut-in royalty which is made in a bona fide attempt to make proper payment, but which is erroneous in whole or in part as to parties, amounts, or depositories shall nevertheless be sufficient to prevent termination of this Sublease in the same manner as though a proper payment had been made; provided, however, Sublessee shall correct such error within thirty (30) days after Sublessee has received written notice thereof by certified mail from Sublessor together with such instruments as are necessary to enable Sublessee to make proper payment. Sublessee's failure to make a bona fide attempt at payment or tender of shut-in royalty shall result in termination of this Sublease.

If the leased lands are pooled or combined with other lands, then the royalty payable hereunder shall be based on the percentage of the pooled or combined lands comprised by the leased lands. If Sublessor owns less than the full royalty, then the royalty shall be reduced in proportion to the actual interest owned by Sublessor.

3. Sublessee is hereby granted the right and power, from time to time, to pool or combine this Sublease, and land covered by it or any part or horizon thereof with any other land, lease, leases, mineral estates or parts thereof for the production of oil or gas so long as such pooling is not prohibited by law or governmental authority. Sublessee shall file written unit designations in the county in which the premises are located and such units may be designated from time to time and either before or after the completion of wells. Drilling operations on or production from any part of any such unit shall be considered for all purposes, except the payment of royalty, as operations conducted upon or production from the land described in this Sublease. There shall be allocated to the land covered by this Sublease included in any such unit that portion of the total production of pooled minerals from wells in the unit, after deducting any minerals used in lease or unit operations, which the number of surface acres in the land covered by this Sublease included in the unit bears to the total number of surface acres in the unit. The operations on or production from any part of any such unit shall be considered for all purposes, including the payment or delivery of royalty, to be the entire production of pooled minerals from the portion of said land covered hereby and included in said unit in the same manner as though produced from said land under the terms of this Sublease. Any pooled unit designated by



Sublessee, as provided herein, may be dissolved by Sublessee by recording any appropriate instrument in the county where the land is situated at any time after the completion of a dry hole or the cessation of production from said unit.

Any reference to pooling or unitization of lands pooled or unitized therewith contained in this Sublease shall be applicable only in the event Sublessee has effected pooling as prescribed in this Sublease.

4. If at the expiration of the primary term oil or gas is not being produced and Sublessee is then engaged in operations for drilling or reworking of any well, this Sublease shall remain in force so long as such operations are diligently prosecuted with no cessation of more than one hundred eighty (180) days, which shall apply for purposes of this Paragraph 4 until the expiration date of the primary term of the Lease, and no cessation of more than sixty (60) consecutive days thereafter said date. If during the drilling or reworking of any well under this paragraph, Sublessee loses or junks the hole or well and after diligent efforts in good faith is unable to complete said operations, Sublessee may commence another well and drill the same with due diligence. If any drilling, additional drilling, or reworking operations hereunder result in production, then this Sublease shall remain in full force so long thereafter as oil or gas is produced hereunder.

5. Sublessee shall have free use of oil, gas and water from said land for all operations hereunder, and the royalty shall be computed after deducting any so used, Sublessee shall have the right at any time during or after the expiration of this Sublease to remove all property and fixtures placed by Sublessee on said land including the right to draw and remove all casing. When required by Sublessor, Sublessee will bury all pipelines on cultivated lands below ordinary plow depth.

6. The rights of either party hereunder may be assigned in whole or in part and the provisions hereof shall extend to the heirs, executors, administrators, successors and assigns, but no change or division in the ownership of land, or in the ownership of or right to receive royalties however accomplished, shall operate to enlarge the obligations or diminish the rights of Sublessee; and such change or division shall not be binding upon Sublessee for any purpose until thirty (30) days after Sublessee has been furnished by certified mail at Sublessee's principal place of business with acceptable instruments or certified copies thereof constituting the chain of title from the original Sublessor. If the rights of Sublessee are transferred or assigned, no such transfer and no such assignment of rights hereunder by Sublessee, or by the heirs, executors, administrators, successors or assigns of Sublessee, shall be effective as between the parties hereto until the Sublessee has furnished Sublessor a recordable copy of the instrument or instruments effecting such transfer or assignment. An assignment of this Sublease, in whole or in part, shall not relieve and discharge Sublessee of any obligations hereunder. Sublessee shall not assign this Sublease in whole or in part without the prior express written consent of Sublessor, which consent shall not be unreasonably withheld.

7. Should Sublessee be prevented from complying with any express or implied covenant of this Sublease, or from conducting drilling or reworking operations hereunder, or from producing oil and/or gas hereunder by reason of scarcity or inability to obtain or use equipment or material, or by operation of force majeure, or by any federal or state law or any order, rule or regulation of governmental authority, then while so prevented, Sublessee's duty shall be suspended, and Sublessee shall not be liable for failure to comply therewith; and this Sublease shall be extended while and so long as Sublessee is prevented by any such cause from conducting drilling or reworking operations on or from producing oil and gas hereunder; and the time while Sublessee is so prevented shall not be counted against Sublessee anything in this Sublease to the contrary notwithstanding. Any such suspension of lease term under this Paragraph 7 shall also apply to the payment due date obligations described in Paragraph 22 hereof.

8. It is mutually agreed that Sublessor does not warrant the title or the quiet possession of said land, or of said oil and/or gas, in whole or in part, to Sublessee against the claims of any person or persons claiming or purporting to claim the same or any part thereof adversely to Sublessor, except by, through and under Sublessor and that the leasehold interest is



free from any liens, mortgages or encumbrances, and is not subject to unrecorded third party agreements that have not been provided to Sublessee prior to closing under Paragraph 24 herein. Sublessor agrees that Sublessee at its option may discharge any tax, mortgage or other lien upon said lands, and in the event Sublessee does so it shall be subrogated to said lien with the right to enforce same, and to apply royalties accruing hereunder toward satisfying same. It is agreed that if Sublessor owns an interest in said oil and gas less than the entire and undivided fee simple estate therein, then royalties to be paid Sublessor hereunder shall be paid said Sublessor only in the proportion which its interests bears to the whole and undivided fee. Sublessee shall not contest the validity of the title of Sublessor to any of the leased lands conveyed by patent, grant or other conveyance from the United States Government or any of its agencies to Sublessor or its predecessors, or any title reserved to Sublessor or its predecessor upon the transfer of any interest in the leased lands by them.

9. Sublessee shall comply with all constitutions, statutes, ordinances, regulations, rules, orders, decisions and other actions of all governmental authorities which have valid jurisdiction over the leased lands or Sublessee's operations or activities on the leased lands.

10. Sublessee's exercise of its rights under this Sublease shall not unreasonably interfere with Sublessor's operations or activities on the leased lands for minerals or substances other than leased substances. Such operations by Sublessor shall not unreasonably interfere with Sublessee's operations conducted subject to this Sublease. Sublessor has disclosed to Sublessee the location and nature of all Sublessor's operations and activities existing as of the date of this Sublease, and Sublessor will notify Sublessee of any subsequent operations or activities conducted by Sublessor during the term of this Sublease within 30 days of commencement of such operations or activities.

11. Sublessee shall comply with and perform the obligations of Sublessor under any agreement between Sublessor and the owners of the surface estate of the leased lands as the obligations relate to Sublessee's operations and activities on the leased lands, provided however, that any obligation of Sublessor for the payment of production royalties to the owners of the surface estate shall remain the obligation of Sublessor and be paid or payable out of the royalties reserved to Sublessor by this Sublease. Any obligation or liability to the owners of the surface estate arising after the date hereof and not covered by Sublessor's prior agreement with the surface owners shall be the sole obligation of Sublessee.

12. Sublessee shall at its own expense discharge and remove all liens or encumbrances on the leased lands which are the result or consequence of Sublessee's operations or activities. Sublessee shall pay all taxes, with the exception of taxes under the Windfall Profit Tax Act or any other excise tax, resulting from the exercise of its rights under this Sublease. All royalties will be paid after deducting from such royalty Sublessor's proportionate amount of all gross production and severance taxes.

13. Sublessee shall develop the leased lands retained under this Sublease until they have been fully developed by the drilling of wells to the maximum density permitted by lawfully established rules or regulations of the state or federal regulatory body having jurisdiction over the field embracing the leased lands. In the absence of such rules or regulations, the leased lands shall be drilled to a density of not less than one well for production of oil to forty (40) acres and drilled to a density of not less than one well for the production of gas to eighty (80) acres; or in the event of horizontal wells, not less than one well for production of oil to three hundred (320) acres and not less than one well for the production of gas to six hundred forty (640) acres. If a well or wells producing oil or gas in paying quantities is brought in on adjacent land or draining the leased lands or acreage pooled with the leased lands, Sublessee agrees to drill offset wells as a reasonably prudent operator would drill under the same or similar circumstances.

Failure to drill wells to these densities shall terminate this Sublease except as to all wells producing oil or gas in paying quantities or being drilled or reworked and as to the area of the leased lands comprising the governmentally approved spacing units attributable to each well. This Sublease shall not terminate as to easements and right-of-ways necessary for Sublessee's operations on the retained spacing units provided that production from each spacing unit shall be continuous and upon the cessation of production therefrom is restored within one hundred eighty



(180) days from such cessation by drilling or reworking operations thereon, which shall apply for purposes of this Paragraph 13 until the expiration date of the primary term of the Lease, and within sixty (60) days from such cessation by drilling or reworking operations thereon thereafter said date, or otherwise maintained in force provided elsewhere in this Sublease.

If at the expiration of the primary term hereof, oil or gas is being produced or if after production has been established Sublessee is then engaged in drilling or reworking operations on the leased lands, this Sublease shall remain in force and effect as to unreleased acreage not developed in accordance with the pattern set forth above, so long as after the date of the expiration of the primary term (or the date drilling or reworking operations cease if being conducted), Sublessee does not permit more than one hundred eighty (180) days to elapse before commencing the next well on subject lands and thereafter shall not allow more than one hundred eighty (180) days to elapse between the completion or abandonment of one well and commencement of another. For purposes of this Sublease Agreement, the commencement of a well shall be defined as the time which site work is commenced in preparation for drilling, the drilling party has the capability to do the actual drilling to the permitted depth, the well is spud within 60 days from commencement of site preparation and there is good faith intent on behalf of the Sublessee to complete the well. If the well is not spud within said 60 day period then the well will be deemed not to have commenced; and the abandonment of a well shall be defined as the date plugging operations have been completed in accordance with Colorado Oil and Gas Commission regulations in effect at the time.

To assure that Sublessor is at all times fully advised on all matters pertaining to this Sublease, Sublessee shall promptly when issued or prepared deliver to Sublessor copies of location reports, permits to drill, permits or directives issued by all governmental authorities and all reports made to regulatory bodies. Sublessee shall provide prior written notice of the exact time and date on which a well is to be spud. During Sublessee's operations, Sublessor and Sublessor's representatives shall upon reasonable notice and at its sole risk and expense, have access to the wellsite, including the derrick floor, for the purposes of observation.

Upon expiration or termination of this Lease for any reason as to all or any portion of the lease premises, Sublessee shall be obligated, upon written request by Sublessor, at Sublessee's expense, to promptly prepare, execute, and file in the public records of the county in which the lease premises are located an appropriate release covering that portion of the lease premises which is no longer held by production or covered by this Lease. A certified copy of the release shall be delivered to Sublessor.

14. (a) Sublessee shall indemnify and hold Sublessor harmless for and against payment of or responsibility for all expenses, liabilities, claims, demands, causes of actions, damages, and expenditures of any kind or type whatsoever incurred in connection with or arising, in whole or in part, out of any act or omission of Sublessee under this Sublease, including, but not limited to, any act or omission of Sublessee under this Sublease, including, but not limited to, any act or omission of Sublessee in the development, construction, operation, and reclamation of wells or facilities and the properties or performance of any of the terms and conditions of this Sublease. Sublessee shall assume all responsibility and expense for defense of any claims, demands, actions, or other legal proceedings of any kind or type whatsoever brought against or involving Sublessor in connection with or arising, in whole or in part, out of any act or omission of Sublessee in the development, construction, operation or reclamation of the leased lands or performance of any of the terms and conditions of this Sublease. Nothing contained in this Paragraph 14 shall affect Sublessor's right to participate in, initiate or prosecute any legal proceedings Sublessor deems necessary to preserve or enforce its rights in the leased lands or pursuant to the terms of this Sublease. For purposes of this Paragraph 14, "any act or omission of Sublessee" shall include any act or omission of Sublessee or its assignee, or anyone acting by, through or under Sublessee or its assignee, including any agent, employee, invitee, or licensee of Sublessee or its assignee, or any independent contractor employed by Sublessee or its assignee, or any agent, employee, invitee, or licensee of such contractor.

(b) Sublessee's obligation to indemnify under Paragraph 14 (a) shall not extend to liability, claims, damages, losses, or expenses, including attorneys' fees arising out of:



(i) the preparation or approval of maps, drawings, opinions, reports, surveys, change orders, designs or specifications by Sublessor, or the agents or employees of Sublessor; or

(ii) the preparation of or the failure to give directions or instruction by Sublessor, or the agents or employees of Sublessor, where such giving or failure to give directions or instructions is the primary cause of bodily injury to persons or damage to property.

(c) Sublessee shall have no obligation under Paragraph 16 (a) to indemnify Sublessor against loss or liability for:

(i) death or bodily injury to persons; or

(ii) injury to property, or

(iii) any other loss, damage or expense arising under (i) or (ii) or both; or

(iv) any combination of these,

arising from the sole or concurrent negligence of Sublessor or the agents or employees of Sublessor or any independent contractor who is directly responsible to Sublessor, or from any accident which occurs in operations carried on at the direct or under the supervision of Sublessor or an employee or representative of Sublessor or in accordance with methods and means specified by Sublessor or employees or representatives of Sublessor.

15. This Sublease will for recording purposes be reduced to memorandum, which memorandum will be recorded, in lieu of this original Oil and Gas Sublease, in the county records of the county in which the leased lands are located.

16. The rights of Sublessee under this Sublease shall be subject to the rights of all persons holding as of the date of the Lease an interest in the mineral estate in any part of the leased lands by, through or under Lessor.

17. Sublessor, at all reasonable times during office hours, and upon providing reasonable written notice to Sublessee, shall have access to Sublessee's records and books of account relating to the production of oil, gas and all other fluid hydrocarbon substances from any drilling unit or units of which the Leased Lands or any part thereof constitutes a part. However, only such representatives of Sublessor as are duly authorized by it in writing to examine such records and books of account need to be given access thereto by Sublessee.

18. All amounts due Lessor or Sublessor by Sublessee hereunder shall be payable respectively to Lessor or its successors or assigns as directed and Sublessor c/o Cimarex Energy Co., Lock Box 774031, 4031 Solutions Center, Chicago, IL 60677-4000, attention revenue accounting or as may otherwise be directed by any of them in compliance with the Lease or this Sublease. Settlement for any payment of all royalties shall be made on or before thirty (30) days following the last day of the month during which the oil, gas or any other fluid hydrocarbon substances are produced.

19. Sublessee shall, at the time of abandonment and in accordance with the rules and regulations of any governmental body having jurisdiction, plug any abandoned well on any drilling unit of which the leased lands or any part thereof constitutes a part.

20. Sublessee shall furnish Sublessor as soon as practicable, after receipt and without cost to Sublessor, copies of title opinions, division order title opinions, daily drilling reports, core records reports, core analysis reports, DST reports, well completion reports, bottom hole pressure measurement reports, directional survey records, mud logs, all logs showing the results of electrical surveys, geophysical well surveys, reserve reports, reservoir fluid or gas and oil ratio reports, State or Federal conservation orders or regulations pertaining to the leased premises, and any and all other reports which pertain to the drilling or completing of wells located on the



leased premises or on land pooled therewith. Sublessee shall also furnish Sublessor as soon as practicable, after receipt and without cost to Sublessor, copies of all geophysical and seismic data obtained on the leased lands including a one-half (1/2) mile radius surrounding the leased lands. Such copies shall include hard copy and digital tapes of the final processed migrated data set and shot point base map including XY coordinates in digital format, with access to field tapes, observer records and data associated with the original acquisition, subject to existing licensing agreement for cases of purchased data and a mutually acceptable licensing agreement in cases of proprietary data.

21. All well and geological data furnished by Sublessee to Sublessor shall be held in confidence by Sublessor for the term of this Sublease, plus 36 months thereafter, and shall not be disclosed to any Third Party without the written consent of Sublessee. This obligation shall not apply to any well or geological data already in the possession of Sublessor; becomes publicly available through no fault of Sublessor; is obtained by Sublessor from a Third Party who is under no obligation of confidence; or for which disclosure is required by law.

22. Sublessee hereby agrees to commence, or cause to be commenced, on the leased lands a minimum of one (1) well during the first year of the primary term; a minimum of two (2) wells during the second year of the primary term; and a minimum of two (2) wells during the third year of the primary term. In the event that Sublessee does not commence a well within the first year of the primary term, it will pay Sublessor prior to the Sublease anniversary date the sum of \$250,000.00 to retain its rights under this Sublease. In the event that Sublessee commences less than two (2) wells within the second year of the primary term, it shall pay Sublessor prior to the Sublease second anniversary date the sum of \$200,000.00 for each well that is not commenced to retain its rights under this Sublease. In the event that Sublessee commences less than two (2) wells within the third year of the primary term, it shall pay Sublessor prior to the Sublease third anniversary date the sum of \$250,000.00 for each well that is not commenced to retain its rights under this Sublease. In the event that Sublessee fails to either drill the required well(s) or pay the sum due prior to the subject anniversary date, this Sublease shall automatically terminate on such anniversary date.

23. It is hereby agreed that the first five (5) wells commenced, or caused to be commenced, by Sublessee on the leased lands shall be drilled in a workmanlike manner to a depth sufficient to test the Niobrara Formation, or at Sublessee's election, test a deeper formation. The surface and bottom hole locations of any well drilled on the leased lands shall be solely at Sublessee's choice. In addition to the first five (5) wells, Sublessee, may elect to drill, test and complete any other formations or depths during the term of this Sublease.

24. The bonus payment to be made hereunder shall be calculated based upon the sum of \$150.00 per net mineral acre covered by the Sublease. This Sublease and the payment of any bonus consideration made hereunder is made subject to that certain Lease Bonus Escrow Agreement dated June 30, 2011 by and between parties hereto.

25. No waiver by Sublessor of any right to terminate this Sublease shall be held to be a waiver of any subsequent right to terminate; nor shall any termination of this agreement release or relieve Sublessee from any liability or obligation accrued prior to the date of termination, or thereafter, in case by the terms of this instrument it is expressly provided that anything shall be done after such termination.

26. Performance of each obligation of Sublessee under this Sublease and of each obligation of Sublessee, implied by law, shall constitute a condition to the continued validity of this Sublease. Whenever Sublessee fails to fulfill any condition of this Sublease, Sublessor shall have the right to terminate this Sublease, provided that Sublessor has given Sublessee thirty (30) days written notice of Sublessor's intention to terminate, which notice describes all claims of such failure to perform, and Sublessee has not, within such thirty (30) days, commenced the performance of such obligation to fulfill all conditions under this Sublease.

In addition to Sublessor's right to terminate as provided in the foregoing paragraph, Sublessor shall also have the right to cancel this Sublease in the event that Sublessee breaches any of its covenants or obligations under this Sublease, or as implied by law, provided that

## EXHIBIT 'A'

ATTACHED TO AND MADE A PART OF THAT CERTAIN OIL AND GAS SUBLEASE DATED JUNE 30, 2011, BY AND BETWEEN PRIZE ENERGY RESOURCES, L.P. AND AUS-TEX EXPLORATION, INC.

## FREMONT COUNTY, COLORADO

Section-Township-Range	Description	Acres
17-19S-69W	SW/4SW/4	40.00
20-19S-69W	NW/4NW/4	40.00
7-20S-69W	SW/4	171.80
18-20S-69W	NE/4	160.00
18-20S-69W	E/2NW/4	80.00
18-20S-69W	W/2NW/4	91.93
18-20S-69W	N/2SE/4	80.00
18-20S-69W	W/2SW/4	91.81
18-20S-69W	E/2SW/4	80.00
19-20S-69W	NW/4	171.81
19-20S-69W	SW/4	171.93
19-20S-69W	S/2NE/4, NE/4NE/4	120.00
30-20S-69W	N/2NW/4	85.97
30-20S-69W	SW/4NW/4	45.92
30-20S-69W	SE/4, SW/4NE/4	200.00
30-20S-69W	W/2SW/4	91.69
31-20S-69W	NE/4	160.00
31-20S-69W	S/2NW/4	85.92
2-19S-70W	Pt. SW/4NE/4	0.87
2-19S-70W	SE/4SW/4, SW/4SE/4	80.00
4-19S-70W	S/2SE/4SE/4	20.00
4-19S-70W	W/2SW/4 (1/2 interest only)	80.00
5-19S-70W	NE/4SE/4, exc. W 17 Rods (1/2 interest only)	31.50
5-19S-70W	SE/4SE/4 W of Ry	25.79
5-19S-70W	SE/4SE/4, E of W Line of Ry	14.37
8-19S-70W	NE/4NE/4, SE/4NE/4, SW/4NE/4	120.00
9-19S-70W	NW/4NE/4	40.00
9-19S-70W	NE/4NE/4	40.00
10-19S-70W	SW/4	160.00
10-19S-70W	E/2SE/4, E/2NE/4	160.00



11-19S-70W	Pt. SW/4NE/4	10.25
11-19S-70W	NW/4SE/4	40.00
11-19S-70W	NE/4NW/4, SW/4NW/4	80.00
11-19S-70W	Pt. SE/4NW/4 lying westerly and southerly of Brookside Townsite	21.01
11-19S-70W	SW/4, NW/4NE/4	200.00
11-19S-70W	NE/4NE/4, except tract 50' x 120' in NW corner	39.86
12-19S-70W	SW/4NW/4	40.00
12-19S-70W	SW/4SE/4	40.00
13-19S-70W	E/2, S/2SW/4	400.00
14-19S-70W	NW/4	160.00
14-19S-70W	W/2SW/4	80.00
15-19S-70W	ALL	645.93
19-19S-70W	SE/4NW/4	40.00
24-19S-70W	SW/4, S/2NW/4, S/2SE/4	320.00
25-19S-70W	N/2NE/4	68.05
25-19S-70W	SW/4NE/4	23.56
25-19S-70W	N/2NW/4	80.00
25-19S-70W	SE/4NW/4	38.00
25-19S-70W	SE/4SE/4	40.00
35-19S-70W	S/2	320.00
36-19S-70W	Ry. R/W in NE/4NE/4	3.61
1-20S-70W	N/2NE/4, NE/4NW/4	121.60
1-20S-70W	SE/4NW/4, E/2SW/4	120.00
1-20S-70W	W/2NW/4	81.24
1-20S-70W	W/2SW/4	80.00
2-20S-70W	ALL	645.54
3-20S-70W	E/2	322.96
3-20S-70W	N/2NW/4	83.44
3-20S-70W	NE/4SW/4, SE/4NW/4	80.00
10-20S-70W	E/2	320.00
11-20S-70W	E/2NE/4NE/4	20.00
11-20S-70W	W/2NE/4NE/4, SE/4, NW/4NE/4, S/2NE/4	300.00
12-20S-70W	E/2NW/4NW/4NW/4, NE/4NW/4NW/4, W/2SW/4NW/4NW/4, S/2NW/4SW/4NW/4, S/2SW/4NW/4, SW/4, NE/4SE/4NW/4, S/2SE/4NW/4, E/2NE/4NW/4, NW/4NE/4NW/4	265.00



12-20S-70W	N/2NW/4SW/4NW/4, W/2NW/4NW/4NW/4, NE/4SW/4NW/4,E/2SW/4NW/4NW/4, SW/4NE/4NW/4, NW/4SE/4NW/4, SE/4NW/4NW/4	55.00
12-20S-70W	E/2	320.00
13-20S-70W	N/2	320.00
13-20S-70W	S/2	320.00
14-20S-70W	E/2	320.00
23-20S-70W	E/2	320.00
24-20S-70W	N/2	320.00
25-20S-70W	N/2, N/2SW/4, NW/4SE/4	440.00
26-20S-70W	NE/4, NE/4SE/4	200.00

Total Gross Acres, more or less =	10,486.36
Total Net Acres, more or less =	10,430.61

End of Exhibit 'A'



Sublessor shall give Sublessee thirty (30) days notice of Sublessor's intention to cancel, which notice describes all claims of such breach. If, during such thirty (30) days, and with an additional allowance of ninety (90) days to cure such breach, Sublessee corrects all breaches of its covenants and obligations to Sublessor's satisfaction, Sublessor shall not cancel this Sublease, but shall have a right to damages from Sublessee which result from the breach. Cancellation shall not be the exclusive remedy of Sublessor in any event.

Sublessor's failure to notify Sublessee of the failure of any condition or the breach of any covenant or obligation shall not constitute a waiver by Sublessor of the condition for which no notice is given nor shall it bar a subsequent claim of failure of any condition or breach of any covenant or obligation, including the condition for which no notice was originally given.


27. Any notice or other communication required or permitted under this agreement shall be effectively given if delivered in person or sent by facsimile, overnight delivery, or by first-class mail, postage prepaid, addressed as follows:

If to Prize: Prize Energy Resources, L.P.  
1700 Lincoln Street, Suite 1800  
Denver, Colorado, 80203  
Attention: Stephen P. Bell

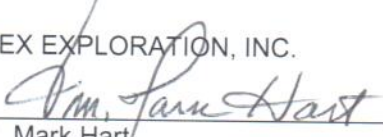
If to Aus-Tex: Aus-Tex Corporation  
7895 W. 16<sup>th</sup> Avenue,  
Lakewood, Colorado 80214  
Attention: Ola Akrad

IN WITNESS WHEREOF, this agreement has been duly executed in duplicate by the parties hereto, the day and year first above written.


SUBLESSOR: PRIZE ENERGY RESOURCES, L.P.  
By: Prize Operating Company,  
sole general partner

By:   
Name: Stephen P. Bell  
Title: Senior Vice President

SUBLESSEE: AUS-TEX EXPLORATION, INC.

By:   
Name: Mark Hart  
Title: Chairman of the Board

SUBLESSEE: AUS-TEX EXPLORATION, INC.

By:   
Name: Guy Goudy  
Title: President



STATE OF COLORADO

COUNTY OF DENVER

The foregoing instrument was acknowledged before me this 5<sup>th</sup> day of July, 2011, by Stephen P. Bell, as Senior Vice President, of PRIZE OPERATING COMPANY, a Delaware corporation, the sole general partner of PRIZE ENERGY RESOURCES, L.P., a Delaware limited partnership, on behalf of said corporation, acting as General Partner on behalf of PRIZE ENERGY RESOURCES, L.P.

JILL FLORA  
Notary Public  
State of Colorado  
My Commission Expires 01/27/2015

Jill Flora  
Notary Public - State of Colorado  
My commission expires: 1/27/2015

STATE OF COLORADO

COUNTY OF DENVER Jefferson

The foregoing instrument was acknowledged before me this 19<sup>th</sup> day of August, 2011, by Mark Hart, as Chairman of the Board of AUS-TEX EXPLORATION, INC., a Texas corporation, on behalf of said corporation.

ELIZABETH A. FEREGA  
NOTARY PUBLIC  
STATE OF COLORADO  
My Commission Expires 10/13/2013

Elizabeth A. Ferega  
Notary Public - State of Colorado  
My commission expires: 10/13/2013

STATE OF COLORADO

COUNTY OF DENVER

The foregoing instrument was acknowledged before me this 20<sup>th</sup> day of September, 2011, by Guy Goudy, as President of AUS-TEX EXPLORATION, INC., a Texas corporation, on behalf of said corporation.



Diana J. Wilson  
Notary Public - State of Colorado  
My commission expires: 10-2-2012