

JUL 21 2008



DENNIS D. HANSEN

PETROLEUM LAND SERVICES

July 19, 2008

Mr. Sam Kuntz
Black Hills Production, LLC.
350 Indiana Street
Suite 400
Golden, CO 80401

RE: Nichols 1-32 well, located in:
Township 10 South, Range 95 West of the 6th P.M.
Section 32: SW/4NW/4

Dear Sam;

Enclosed please find the following:

- 1) An Original General Release on the above captioned lands, signed by Charles N. Nichols, Jr., regarding the Nichols 1-32 well.

I have included an extra copy of the General Release for Heidi's file. If you could please make sure she gets them, I would appreciate that.

If you have any questions, please don't hesitate to call me at (970) 216-1128.
Thank you.

Sincerely;

A handwritten signature in blue ink that reads "Dennis".

Dennis D. Hansen,
Consulting Landman

GENERAL RELEASE

State: Colorado
County: Mesa
Owner: Charles N. Nichols, Jr.
P O Box 130
Molina, CO 81646
Operator: Black Hills Plateau, LLC
350 Indiana Street
Suite 400
Golden, CO 80401
Dated: June 26, 2008

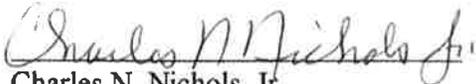
For adequate consideration, the receipt and sufficiency of which is acknowledged, Owner, named above, hereby, releases Operator, named above, and all of Operator's officers, directors, agents, employees, personal representatives, agents, contractors, subcontractors, affiliates and causes of action of any nature or kind which have arisen or may later arise by reason of any and all damages or injuries caused by Operator's operations from the Nichols 1-32 well situated on the following lands in the county and state named above:

TOWNSHIP 10 SOUTH, RANGE 95 WEST, 6TH P.M.
Section 32: SW/4NW/4

This Release shall be construed as a covenant running with the lands described, and shall be binding on the heirs, executors, administrators, successors and assigns of Owner.

Signed this 26th day of June, 2008.

Owner:


Charles N. Nichols, Jr.

**Check Request
Black Hills Plateau Production
Company 15**

Date: June 13, 2008
Date Check Needed: Next Check Run
Vendor Name: Charles N. Nichols Jr.

Vendor Number: 008478
Check Amount: \$7000.00
Description: Reclamation Expense
Prospect Number: 0500170010.01
Lease Number: _____
Accounting Code: 340-105
AFE Number: 005086Z
Return check to: Sam Kuntz
Check Requested by: Sam Kuntz
Date requested: June 18, 2008
Supervisor approval: _____
(If required)

Comments

This is full payment in lieu of doing any reclamation work on the pad location for the Nichols 1-32 Well.

Please attach copies of supporting documentation because detailed information is necessary for check processing.

DONE
6-18-08
LP

Owner Number Request Form

Owner Number: 068478

Owner Name: CHARLES N. NICHOLS, JR.

Tax Identification No. 520-66-4744

Address: PO BOX 130

City: MOLINA, ~~IL~~

State: CO

Zip Code: 81646

Telephone Number: 970-487-3495

Fax Number: _____

Owner Type: _____

B=Bank, L=Lease, J=JIB, O=Operator, R=Revenue, V=Vendor

Comments

Requested by: 

Date: 6-17-08

Please Attach Copies of Supporting Documentation to Substantiate Request



Hansen Land Services
<dennishansen@bresnan.net
>

06/12/2008 03:38 PM

To skuntz@bhep.com
cc slindholm@bhep.com, dnewlin@bhep.com

bcc

Subject Re: Nichols 1-32 & 1-31 Reclaim Locations

Sam, please make the checks out as follows:

050017010
.01 For the Nichols 1-32 well: Charles N. Nichols, Jr.

AFE 005086 Z
340-105

For the Nichols 1-31 well: Nichols Family Partnership, LLLP

008371
PO Box 130
Moline, CO 81646

If you should have any questions, please don't hesitate to call me.

Thanks.

Dennis

slindholm@bhep.com wrote:

On June 9, 2008 I stopped and talked with Charlie at each location and sign off on the release form.

970. 487. 3495

No virus found in this incoming
Checked by AVG.
Version: 7.5.524 / Virus Database
Date: 6/10/2008 5:11 PM

Charles Nichols
520 - 66 - 4744
970. 487. 3495

Acct Codes:

Rentals 200 - 120
Recording Fees 200 - 170
Legal Services 200 - 180