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COLORADO OIL & GAS CONSERVATION COMM.

AGREEMENT

THIS AGREEMENT is made this 31st day of August, 1971 by and between Mr. M. R. Qualls and The Rocky Mountain Drilling Co.

1) The Rocky Mountain Drilling Co. has drilled a well for oil and gas in the NW1/4 NW1/4 Section 5, Township 3 South, Range 64 West, Adams County, Colorado, to a depth of 8227'.

2) Mr. M. R. Qualls has indicated a desire to complete the upper portion of the strata penetrated in this well for a water well to be used for agricultural and other purposes.

3) The Rocky Mountain Drilling Co. will set cement plugs in compliance with the State of Colorado Oil and Gas Regulations for the conservation of ground water; and, upon the setting of a plug at approximately 600', Mr. M. R. Qualls will take over the well and complete same for his use.

4) Upon abandonment of this well by Mr. M. R. Qualls, he will procure approval from the State Oil and Gas Conservation Commission and finalize the abandonment in compliance with their Regulations.

5) The Rocky Mountain Drilling Co. shall not be liable for any operations conducted by Mr. Qualls and final abandonment of the hole will be his sole responsibility.

EXECUTED this 31st day of August, 1971.

THE ROCKY MOUNTAIN DRILLING CO.

*J. J. J.*

*M. R. Qualls*