

Memorandum of Surface Use Agreement

Notice is hereby given that **Kathryn A. Brown, a/k/a Kathryn Brown and Christine A. Carter**, ("Owner"), whose address is 831 Badger Creek Road, Sheridan, Wyoming 82801, and **NANCE PETROLEUM CORPORATION**, 550 North 31st Street, Suite 500, Billings, Montana 59101, have entered into a Surface Use Agreement dated the 9th day of January, 2006, affecting the following described real property in Sheridan County, Wyoming, to wit:

Township 57 North, Range 81 West, 6th P.M.
Section 8: N2, N2SW4, SE4
Section 9: S2NW4, SW4

(hereinafter the "Property").

A complete copy of the Surface Use Agreement is maintained by the parties at the addresses above. Any person desiring to deal with the Property may contact those parties for information as to all of the terms of the Surface Use Agreement.

Dated this 9th day of January, 2006.

Owner:

Operator:

NANCE PETROLEUM CORPORATION

Kathryn A. Brown
Kathryn A. Brown

By:

R. B. Santi
Ronald B. Santi
Vice President, Land
550 North 31st Street, Suite 500
Billings, MT 59101

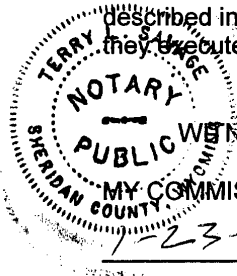
Christine A. Carter
Christine A. Carter

531593 MEMORANDUM OF AGREEMENT
BOOK 471 PAGE 0402
RECORDED 02/13/2006 AT 08:35 AM
AUDREY KOLTISKA, SHERIDAN COUNTY CLERK

ACKNOWLEDGMENTS

STATE OF WYOMING }
 } ss.
COUNTY OF SHERIDAN }

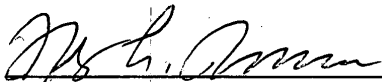
On this 9th day of January, 2006, before me personally appeared **Kathryn A. Brown, a/k/a Kathryn Brown and Christine A. Carter**, known to me to be the persons described in and who executed the foregoing instrument, and acknowledged to me that they executed the same.



WITNESS my hand and official seal.

MY COMMISSION EXPIRES:

1-23-08



Notary Public for the State of Wyoming

Residing at: Sheridan, Wyoming

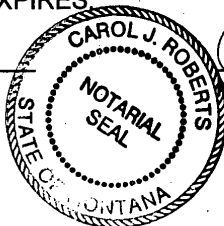
STATE OF MONTANA }
 } ss.
COUNTY OF YELLOWSTONE }

The foregoing Memorandum of Surface Use Agreement was acknowledged before me this 7th day of February 2006, by **Ronald B. Santi, Vice President, Land, of Nance Petroleum Corporation.**

WITNESS my hand and official seal.

MY COMMISSION EXPIRES:

11/26/2009





Notary Public for the State of Montana

Carol J. Roberts

Residing at: Billings, MT